

**AUDIT REPORT  
OF  
BUFFALO COUNTY**

**JULY 1, 2007 THROUGH JUNE 30, 2008**

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the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
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**Issued on December 11, 2008**

BUFFALO COUNTY

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BUFFALO COUNTY

**LIST OF COUNTY OFFICIALS**

At June 30, 2008

| <u>Name</u>         | <u>Title</u>                | <u>Term Expires</u> |
|---------------------|-----------------------------|---------------------|
| Horace Dannehl      | Board of Supervisors        | Jan. 2009           |
| Kent Greder         |                             | Jan. 2011           |
| Ivan Klein          |                             | Jan. 2011           |
| Timothy Loewenstein |                             | Jan. 2011           |
| William McMullen    |                             | Jan. 2009           |
| Sherry Morrow       |                             | Jan. 2011           |
| Richard Pierce      |                             | Jan. 2009           |
| Joe Woodward        | Assessor                    | Jan. 2011           |
| Shawn Eatherton     | Attorney                    | Jan. 2011           |
| Jan Giffin          | Clerk                       | Jan. 2011           |
| Glenda DeBrie       | Election Commissioner       | Jan. 2011           |
| Kellie John         | Register of Deeds           | Jan. 2011           |
| Sharon Mauler       | Clerk of the District Court | Jan. 2011           |
| Neil Miller         | Sheriff                     | Jan. 2011           |
| Jean Sidwell        | Treasurer                   | Jan. 2011           |
| William Williams    | Veterans' Service Officer   | Appointed           |
| Richard Kincaid     | Weed Superintendent         | Appointed           |
| LeAnn Klein         | Planning / Zoning           | Appointed           |
| Ronald Sklenar      | Highway Superintendent      | Appointed           |



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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### BUFFALO COUNTY

### INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
Buffalo County, Nebraska

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Buffalo County, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash balances of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of Buffalo County, as of June 30, 2008, and the respective changes in cash balances thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2008, on our consideration of Buffalo County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the

scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

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

Signed Original on File

December 9, 2008

Deann Haeffner, CPA  
Assistant Deputy Auditor

BUFFALO COUNTY  
**STATEMENT OF NET ASSETS - CASH BASIS**  
 June 30, 2008

|                                      | Governmental<br>Activities |
|--------------------------------------|----------------------------|
| <b>ASSETS</b>                        |                            |
| Cash and cash equivalents (Note 1.D) | \$ 819,742                 |
| Investments (Note 1.D)               | 3,531,452                  |
| <b>TOTAL ASSETS</b>                  | <b>\$ 4,351,194</b>        |
| <br><b>NET ASSETS</b>                |                            |
| Restricted for:                      |                            |
| Visitors Promotion                   | \$ 58,365                  |
| Re-Use Economic Development          | 93,537                     |
| Other Purposes                       | 103,296                    |
| Unrestricted                         | 4,095,996                  |
| <b>TOTAL NET ASSETS</b>              | <b>\$ 4,351,194</b>        |

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

BUFFALO COUNTY  
**STATEMENT OF ACTIVITIES - CASH BASIS**  
For the Year Ended June 30, 2008

| <b>Functions:</b>                    | Cash<br>Disbursements         | Program Cash Receipts                       |  | Net (Disbursement)<br>Receipts and<br>Changes in<br>Net Assets |
|--------------------------------------|-------------------------------|---|--|--|
|                                      |                               | Fees, Fines,<br>and Charges<br>for Services | Operating<br>Grants and<br>Contributions |  |
| <b>Governmental Activities:</b>      |                               |   |  |  |
| General Government                   | \$ (6,138,637)                | \$ 1,193,246                                | \$ 271,814                               | \$ (4,673,577)   |
| Public Safety                        | (4,912,994)                   | 614,319                                     | 493,198                                  | (3,805,477)  |
| Public Works                         | (6,534,661)                   | 175,670                                     | 2,444,982                                | (3,914,009)  |
| Health and Sanitation                | (124,781)                     | -   | -  | (124,781)  |
| Public Assistance                    | (326,766)                     | -   | 19,627                                   | (307,139)  |
| Culture and Recreation               | (777,640)                     | -   | -  | (777,640)  |
| Capital Outlay                       | (1,802,338)                   | -   | -  | (1,802,338)  |
| <b>Total Governmental Activities</b> | <u><u>\$ (20,617,817)</u></u> | <u><u>\$ 1,983,235</u></u>                  | <u><u>\$ 3,229,621</u></u>               | <u><u>(15,404,961)</u></u>                                     |

|   |                            |
|---|----------------------------|
| General Receipts:   |                            |
| Property Taxes  | 12,566,115                 |
| Grants and Contributions Not Restricted to<br>Specific Programs | 1,922,972                  |
| Investment Income   | 361,860                    |
| Miscellaneous   | 533,721                    |
| <b>Total General Receipts</b>                                   | <u><u>15,384,668</u></u>   |
| Change in Net Assets  | (20,293)                   |
| Net Assets - Beginning  | 4,371,487                  |
| Net Assets - Ending   | <u><u>\$ 4,351,194</u></u> |

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

BUFFALO COUNTY  
**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
June 30, 2008

|                                       | <u>General Fund</u> | <u>Road Fund</u>  | <u>Inheritance<br/>Fund</u> | <u>Building and<br/>Repair Fund</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---------------------------------------|---------------------|-------------------|-----------------------------|-------------------------------------|---|---|
| <b>ASSETS</b>                         |                     |                   |                             |                                     |   |   |
| Cash and cash equivalents (Note 1.D)  | \$ 69,653           | \$ 314,025        | \$ -                        | \$ 39,848                           | \$ 396,216                              | \$ 819,742                              |
| Investments (Note 1.D)                | 1,411,652           | -                 | 1,519,800                   | 600,000                             | -                                       | 3,531,452                               |
| <b>TOTAL ASSETS</b>                   | <u>\$ 1,481,305</u> | <u>\$ 314,025</u> | <u>\$ 1,519,800</u>         | <u>\$ 639,848</u>                   | <u>\$ 396,216</u>                       | <u>\$ 4,351,194</u>                     |
| <b>FUND BALANCES</b>                  |                     |                   |                             |                                     |   |   |
| Unreserved, reported in:              |                     |                   |                             |                                     |   |   |
| General fund                          | \$ 1,481,305        | \$ -              | \$ -                        | \$ -                                | \$ -                                    | \$ 1,481,305                            |
| Special revenue funds                 | -                   | 314,025           | 1,519,800                   | 639,848                             | 396,216                                 | 2,869,889                               |
| <b>TOTAL CASH BASIS FUND BALANCES</b> | <u>\$ 1,481,305</u> | <u>\$ 314,025</u> | <u>\$ 1,519,800</u>         | <u>\$ 639,848</u>                   | <u>\$ 396,216</u>                       | <u>\$ 4,351,194</u>                     |

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



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

For the Year Ended June 30, 2008

|   | General Fund        | Road Fund          | Inheritance<br>Fund | Building and<br>Repair Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|---------------------|--------------------|---------------------|-----------------------------|--------------------------------|--------------------------------|
| <b>RECEIPTS</b>   |                     |                    |                     |                             |                                |                                |
| Property Taxes  | \$ 11,436,116       | \$ -               | \$ 501,224          | \$ -                        | \$ 628,775                     | \$ 12,566,115                  |
| Licenses and Permits  | 169,170             | -                  | -                   | -                           | -                              | 169,170                        |
| Interest  | -                   | -                  | -                   | 361,502                     | 358                            | 361,860                        |
| Intergovernmental   | 2,689,584           | 2,444,982          | -                   | -                           | 18,027                         | 5,152,593                      |
| Charges for Services  | 1,807,565           | 24,233             | -                   | -                           | 151,437                        | 1,983,235                      |
| Miscellaneous   | 117,717             | 89,337             | 21,154              | -                           | 136,343                        | 364,551                        |
| <b>TOTAL RECEIPTS</b>   | <u>16,220,152</u>   | <u>2,558,552</u>   | <u>522,378</u>      | <u>361,502</u>              | <u>934,940</u>                 | <u>20,597,524</u>              |
| <b>DISBURSEMENTS</b>  |                     |                    |                     |                             |                                |                                |
| General Government  | 6,126,060           | -                  | 60                  | -                           | 12,517                         | 6,138,637                      |
| Public Safety   | 4,761,344           | -                  | -                   | -                           | 151,650                        | 4,912,994                      |
| Public Works  | 104,536             | 4,397,911          | -                   | -                           | 2,032,214                      | 6,534,661                      |
| Health and Sanitation   | 124,781             | -                  | -                   | -                           | -                              | 124,781                        |
| Public Assistance   | 178,968             | -                  | -                   | -                           | 147,798                        | 326,766                        |
| Culture and Recreation  | 348,340             | -                  | -                   | -                           | 429,300                        | 777,640                        |
| Capital Outlay  | -                   | -                  | -                   | 1,802,338                   | -                              | 1,802,338                      |
| <b>TOTAL DISBURSEMENTS</b>                                    | <u>11,644,029</u>   | <u>4,397,911</u>   | <u>60</u>           | <u>1,802,338</u>            | <u>2,773,479</u>               | <u>20,617,817</u>              |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | <u>4,576,123</u>    | <u>(1,839,359)</u> | <u>522,318</u>      | <u>(1,440,836)</u>          | <u>(1,838,539)</u>             | <u>(20,293)</u>                |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                     |                    |                     |                             |                                |                                |
| Transfers in  | 523,340             | 2,040,000          | 950,000             | -                           | 2,052,300                      | 5,565,640                      |
| Transfers out   | (4,740,800)         | (21,695)           | (801,500)           | -                           | (1,645)                        | (5,565,640)                    |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <u>(4,217,460)</u>  | <u>2,018,305</u>   | <u>148,500</u>      | <u>-</u>                    | <u>2,050,655</u>               | <u>-</u>                       |
| Net Change in Fund Balances                                   | 358,663             | 178,946            | 670,818             | (1,440,836)                 | 212,116                        | (20,293)                       |
| <b>CASH BASIS FUND BALANCES - BEGINNING</b>                   | <u>1,122,642</u>    | <u>135,079</u>     | <u>848,982</u>      | <u>2,080,684</u>            | <u>184,100</u>                 | <u>4,371,487</u>               |
| <b>CASH BASIS FUND BALANCES - ENDING</b>                      | <u>\$ 1,481,305</u> | <u>\$ 314,025</u>  | <u>\$ 1,519,800</u> | <u>\$ 639,848</u>           | <u>\$ 396,216</u>              | <u>\$ 4,351,194</u>            |

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

**BUFFALO COUNTY**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - CASH BASIS**  
**FIDUCIARY FUNDS**  
 June 30, 2008

|                                    | Agency Funds     |
|------------------------------------|------------------|
| <b>ASSETS</b>                      |                  |
| Cash and cash equivalents          | \$ 4,789,647     |
| <br><b>LIABILITIES</b>             |                  |
| Due to other governments           |                  |
| State                              | 700,176          |
| Schools                            | 2,854,962        |
| Educational Service Units          | 5,121            |
| Technical College                  | 27,369           |
| Natural Resource Districts         | 18,677           |
| Fire Districts                     | 68,916           |
| Municipalities                     | 419,852          |
| Agricultural Society               | 7,413            |
| Townships                          | 168,939          |
| Sanitary and Improvement Districts | 136,828          |
| Others                             | 381,394          |
| <b>TOTAL LIABILITIES</b>           | <b>4,789,647</b> |
| <br><b>TOTAL NET ASSETS</b>        | <br><b>\$ -</b>  |

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

BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2008

1. **Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

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

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

**Joint Organization.**

Behavioral Health Region III - The County has entered into an agreement with surrounding counties and the Nebraska Health and Human Services System to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. The Region consists of the following counties: Blaine, Loup, Garfield, Wheeler, Custer, Valley, Greeley, Sherman, Howard, Buffalo, Hall, Phelps, Kearney, Adams, Clay, Furnas, Harlan, Hamilton, Merrick, Franklin, Webster, and Nuckolls.

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of federal, state, local, and private funding. The County contributed \$140,999 toward the operation of the Region during fiscal year 2008.

BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

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

**B. Basis of Presentation**

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

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

**Fund Financial Statements.** The fund financial statements provide information about the County's funds, including its fiduciary funds. GAAP requires separate statements by

BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

fund category - governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

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

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

**Building and Repair Fund.** This fund is used to account for costs associated with building and repair of County-owned facilities.

The County reports the following additional fund types:

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

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

**Capital Project Funds.** These funds account for all resources received and used for the acquisition or development of major capital improvements.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Assets - Cash Basis and the Statement of Activities - Cash Basis. Revenues are recognized when received and expenditures are recognized when warrants are paid. This differs from

BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

governmental GAAP, which requires the government-wide and fiduciary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

**D. Assets and Net Assets**

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

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

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

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

BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

**Compensated Absences.** Vested or accumulated vacation leave that is liquidated with expendable available financial resources is reported as an expenditure of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under the receipts and disbursements basis of accounting, the liabilities for compensated absences are not reported since they do not represent liabilities arising from cash transactions. Under GAAP, the compensated absences liability would be reported in the government-wide financial statements and would be recorded in accordance with the County's policy, which is to recognize the expense and accrued liability when vacation and compensatory leave is earned.

**Restricted Net Assets.** When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net assets are reported as restricted when constraints placed on their use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net assets reports \$255,198 of restricted net assets which are restricted by enabling legislation.

2. **Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. § 77-2315 (Reissue 2003).

At year end, the County's carrying amount of deposits was \$819,742 for County funds and \$2,014,748 for Fiduciary funds. The bank balances for all funds totaled \$2,717,114. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits as of June 30, 2008, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments are stated at cost, which approximates market. Investments consisted of \$3,531,452 for County funds and \$2,774,899 for Fiduciary funds deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a seven member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income which has accrued to each participant is converted as of the close of business of each calendar month into additional units which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participant's each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Property Taxes**

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

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

The levy set in October 2007, for the 2007 taxes which will be materially collected in May and September, 2008, was set at \$.397713/\$100 of assessed valuation. The levy set in October 2006, for the 2006 taxes which were materially collected in May and September, 2007, was set at \$.379993/\$100 of assessed valuation. The amount collected for motor vehicle tax is outlined in State Statute.

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

4. **Retirement System**

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

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

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



BUFFALO COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

account is fully vested. The employer's account is fully vested after three years of participation in the system, 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.

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, 2008, 242 employees contributed \$308,756; the County contributed \$463,143, which consisted of cash contributions. Additionally, for the year ended June 30, 2008, 27 law enforcement employees and the County contributed \$10,758 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$1,438 directly to 16 retired employees for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County 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 77 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 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.

BUFFALO COUNTY

**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**5. Risk Management** (Concluded)

|                             | NIRMA<br>Coverage | Maximum<br>Coverage                  |
|-----------------------------|-------------------|--------------------------------------|
| General Liability Claim     | \$ 300,000        | \$ 5,000,000                         |
| Worker's Compensation Claim | \$ 300,000        | Statutory Limits                     |
| Property Damage Claim       | \$ 250,000        | Insured Value at<br>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 2009. 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, 2008, consisted of the following:

| <b>Transfers to</b> | General Fund        | Inheritance<br>Fund | Road<br>Fund     | Nonmajor<br>Funds | Total               |
|---------------------|---------------------|---------------------|------------------|-------------------|---------------------|
| General Fund        | \$ -                | \$ 500,000          | \$ 21,695        | \$ 1,645          | \$ 523,340          |
| Inheritance Fund    | 950,000             | -                   | -                | -                 | 950,000             |
| Road Fund           | 1,790,000           | 250,000             | -                | -                 | 2,040,000           |
| Nonmajor Funds      | 2,000,800           | 51,500              | -                | -                 | 2,052,300           |
| <b>Total</b>        | <b>\$ 4,740,800</b> | <b>\$ 801,500</b>   | <b>\$ 21,695</b> | <b>\$ 1,645</b>   | <b>\$ 5,565,640</b> |

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

BUFFALO COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**7. Contingent Liabilities**

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

**8. Bonds**

The County held a special election on March 11, 2008, at which electors approved the issuance of \$24,500,000 in negotiable general obligation bonds to pay the costs of acquiring, constructing, improving and equipping a county jail and detention facility. The bonds had not been issued as of June 30, 2008.

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

For the Year Ended June 30, 2008

|   | Original<br>Budget  | Final<br>Budget     | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|---------------------|---------------------|---|
| <b>RECEIPTS</b>   |                     |                     |                     |   |
| Taxes   | \$ 12,188,804       | \$ 12,188,804       | \$ 11,436,116       | \$ (752,688)  |
| Licenses and Permits  | 158,305             | 158,305             | 169,170             | 10,865  |
| Intergovernmental   | 1,515,720           | 1,535,720           | 2,689,584           | 1,153,864   |
| Charges for Services  | 1,649,250           | 1,649,250           | 1,807,565           | 158,315   |
| Miscellaneous   | 62,000              | 87,000              | 117,717             | 30,717  |
| <b>TOTAL RECEIPTS</b>   | <b>15,574,079</b>   | <b>15,619,079</b>   | <b>16,220,152</b>   | <b>601,073</b>  |
| <b>DISBURSEMENTS</b>  |                     |                     |                     |   |
| General Government:   |                     |                     |                     |   |
| County Board  | 218,230             | 218,230             | 217,090             | 1,140   |
| County Clerk  | 123,352             | 123,352             | 121,555             | 1,797   |
| County Treasurer  | 330,000             | 330,000             | 319,267             | 10,733  |
| Register of Deeds   | 198,136             | 198,136             | 197,377             | 759   |
| County Assessor   | 471,415             | 471,415             | 458,881             | 12,534  |
| Election Commissioner   | 181,414             | 181,414             | 176,109             | 5,305   |
| Zoning  | 77,876              | 78,376              | 78,259              | 117   |
| Data Processing   | 398,796             | 398,796             | 398,490             | 306   |
| Clerk of the District Court                                   | 505,535             | 505,535             | 442,121             | 63,414  |
| County Court System   | 280,750             | 280,750             | 262,350             | 18,400  |
| Public Defender   | 439,053             | 439,053             | 433,555             | 5,498   |
| Building and Grounds  | 445,840             | 484,072             | 476,019             | 8,053   |
| Agricultural Extension Agent                                  | 174,794             | 174,794             | 173,703             | 1,091   |
| Miscellaneous   | 2,374,252           | 2,373,752           | 2,371,284           | 2,468   |
| Public Safety   |                     |                     |                     |   |
| County Sheriff  | 1,748,615           | 1,762,615           | 1,724,933           | 37,682  |
| County Attorney   | 1,028,728           | 1,028,728           | 979,915             | 48,813  |
| Communication Center  | 727,339             | 727,339             | 718,344             | 8,995   |
| County Jail   | 1,050,870           | 1,050,870           | 1,040,096           | 10,774  |
| Emergency Management  | 93,345              | 93,345              | 89,702              | 3,643   |
| County Probation  | 36,350              | 36,350              | 35,346              | 1,004   |
| Miscellaneous   | 261,398             | 203,066             | 173,008             | 30,058  |
| Public Works  |                     |                     |                     |   |
| County Surveyor   | 115,726             | 115,726             | 104,536             | 11,190  |
| Public Health   |                     |                     |                     |   |
| Miscellaneous   | 107,574             | 124,824             | 124,781             | 43  |
| Public Assistance   |                     |                     |                     |   |
| Veterans' Service Officer                                     | 116,091             | 116,091             | 105,919             | 10,172  |
| Miscellaneous   | 69,331              | 73,081              | 73,049              | 32  |
| Culture and Recreation  |                     |                     |                     |   |
| Miscellaneous   | 343,273             | 348,373             | 348,340             | 33  |
| <b>TOTAL DISBURSEMENTS</b>                                    | <b>11,918,083</b>   | <b>11,938,083</b>   | <b>11,644,029</b>   | <b>294,054</b>  |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | <b>3,655,996</b>    | <b>3,680,996</b>    | <b>4,576,123</b>    | <b>895,127</b>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                     |                     |                     |   |
| Transfers in  | 2,817,218           | 2,817,218           | 523,340             | (2,293,878)   |
| Transfers out   | (5,095,856)         | (5,120,856)         | (4,740,800)         | 380,056   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <b>(2,278,638)</b>  | <b>(2,303,638)</b>  | <b>(4,217,460)</b>  | <b>(1,913,822)</b>                                      |
| Net Change in Fund Balance                                    | 1,377,358           | 1,377,358           | 358,663             | (1,018,695)   |
| <b>FUND BALANCES - BEGINNING</b>                              | <b>1,122,642</b>    | <b>1,122,642</b>    | <b>1,122,642</b>    | <b>-</b>  |
| <b>FUND BALANCES - ENDING</b>                                 | <b>\$ 2,500,000</b> | <b>\$ 2,500,000</b> | <b>\$ 1,481,305</b> | <b>\$ (1,018,695)</b>                                   |

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget    | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|--------------------|---------------------|---|
| <b>ROAD FUND</b>  |                    |                    |                     |   |
| <b>RECEIPTS</b>   |                    |                    |                     |   |
| Intergovernmental   | \$ 2,210,500       | \$ 2,210,500       | \$ 2,444,982        | \$ 234,482  |
| Charges for Services  | -                  | -                  | 24,233              | 24,233  |
| Miscellaneous   | 90,000             | 90,000             | 89,337              | (663)   |
| <b>TOTAL RECEIPTS</b>   | <u>2,300,500</u>   | <u>2,300,500</u>   | <u>2,558,552</u>    | <u>258,052</u>  |
| <b>DISBURSEMENTS</b>  | <u>4,612,594</u>   | <u>4,612,594</u>   | <u>4,397,911</u>    | <u>214,683</u>  |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | (2,312,094)        | (2,312,094)        | (1,839,359)         | 472,735   |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                    |                    |                     |   |
| Transfers in  | 2,177,015          | 2,177,015          | 2,040,000           | (137,015)   |
| Transfers out   | -                  | -                  | (21,695)            | (21,695)  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <u>2,177,015</u>   | <u>2,177,015</u>   | <u>2,018,305</u>    | <u>(158,710)</u>  |
| Net Change in Fund Balance                                    | (135,079)          | (135,079)          | 178,946             | 314,025   |
| FUND BALANCE - BEGINNING                                      | 135,079            | 135,079            | 135,079             | -   |
| FUND BALANCE - ENDING   | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 314,025</u>   | <u>\$ 314,025</u>                                       |
| <b>INHERITANCE FUND</b>                                       |                    |                    |                     |   |
| <b>RECEIPTS</b>   |                    |                    |                     |   |
| Taxes   | \$ 400,000         | \$ 400,000         | \$ 501,224          | \$ 101,224  |
| Miscellaneous   | -                  | -                  | 21,154              | 21,154  |
| <b>TOTAL RECEIPTS</b>   | <u>400,000</u>     | <u>400,000</u>     | <u>522,378</u>      | <u>122,378</u>  |
| <b>DISBURSEMENTS</b>  | <u>2,500</u>       | <u>2,500</u>       | <u>60</u>           | <u>2,440</u>  |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | 397,500            | 397,500            | 522,318             | 124,818   |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                    |                    |                     |   |
| Transfers in  | 815,000            | 815,000            | 950,000             | 135,000   |
| Transfers out   | (2,061,482)        | (2,061,482)        | (801,500)           | 1,259,982   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <u>(1,246,482)</u> | <u>(1,246,482)</u> | <u>148,500</u>      | <u>1,394,982</u>  |
| Net Change in Fund Balance                                    | (848,982)          | (848,982)          | 670,818             | 1,519,800   |
| FUND BALANCE - BEGINNING                                      | 848,982            | 848,982            | 848,982             | -   |
| FUND BALANCE - ENDING   | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 1,519,800</u> | <u>\$ 1,519,800</u>                                     |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget  | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|------------------|-------------------|---|
| <b>BUILDING AND REPAIR FUND</b>                               |                    |                  |                   |   |
| <b>RECEIPTS</b>   |                    |                  |                   |   |
| Interest  | \$ 275,000         | \$ 275,000       | \$ 361,502        | \$ 86,502   |
| <b>TOTAL RECEIPTS</b>   | <u>275,000</u>     | <u>275,000</u>   | <u>361,502</u>    | <u>86,502</u>   |
| <b>DISBURSEMENTS</b>  | <u>1,600,000</u>   | <u>1,600,000</u> | <u>1,802,338</u>  | <u>(202,338)</u>  |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | (1,325,000)        | (1,325,000)      | (1,440,836)       | (115,836)   |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                    |                  |                   |   |
| Transfers in  | -                  | -                | -                 | -   |
| Transfers out   | (755,684)          | (755,684)        | -                 | 755,684   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <u>(755,684)</u>   | <u>(755,684)</u> | <u>-</u>          | <u>755,684</u>  |
| Net Change in Fund Balance                                    | (2,080,684)        | (2,080,684)      | (1,440,836)       | 639,848   |
| <b>FUND BALANCE - BEGINNING</b>                               | <u>2,080,684</u>   | <u>2,080,684</u> | <u>2,080,684</u>  | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>                                  | <u>\$ -</u>        | <u>\$ -</u>      | <u>\$ 639,848</u> | <u>\$ 639,848</u>                                       |

(Concluded)

## BUFFALO COUNTY

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2008

#### BUDGETARY COMPARISON SCHEDULES

##### GAAP Requirements

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

##### Budgetary Process

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

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

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

BUFFALO COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2008

|   | Special<br>Bridge Fund | Visitor<br>Promotion<br>Fund | Unemployment<br>Fund | Medical<br>Relief Fund | Institutions<br>Fund | Veterans'<br>Aid Fund | STOP<br>Program<br>Fund |
|---|------------------------|------------------------------|----------------------|------------------------|----------------------|-----------------------|-------------------------|
| <b>RECEIPTS</b>   |                        |                              |                      |                        |                      |                       |                         |
| Property Taxes  | \$ -                   | \$ 458,534                   | \$ -                 | \$ 11                  | \$ 2                 | \$ 26,973             | \$ -                    |
| Interest  | -                      | 358                          | -                    | -                      | -                    | -                     | -                       |
| Intergovernmental   | -                      | -                            | -                    | 14,790                 | -                    | 3,237                 | -                       |
| Charges for Services  | -                      | -                            | -                    | -                      | -                    | -                     | -                       |
| Miscellaneous   | -                      | -                            | -                    | -                      | -                    | -                     | 23,338                  |
| <b>TOTAL RECEIPTS</b>   | <u>-</u>               | <u>458,892</u>               | <u>-</u>             | <u>14,801</u>          | <u>2</u>             | <u>30,210</u>         | <u>23,338</u>           |
| <b>DISBURSEMENTS</b>  |                        |                              |                      |                        |                      |                       |                         |
| General Government  | -                      | -                            | 12,517               | -                      | -                    | -                     | -                       |
| Public Safety   | -                      | -                            | -                    | -                      | -                    | -                     | 18,728                  |
| Public Works  | 1,675,771              | -                            | -                    | -                      | -                    | -                     | -                       |
| Public Assistance   | -                      | -                            | -                    | 105,297                | 12,501               | 30,000                | -                       |
| Culture and Recreation  | -                      | 429,300                      | -                    | -                      | -                    | -                     | -                       |
| <b>TOTAL DISBURSEMENTS</b>                                    | <u>1,675,771</u>       | <u>429,300</u>               | <u>12,517</u>        | <u>105,297</u>         | <u>12,501</u>        | <u>30,000</u>         | <u>18,728</u>           |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | <u>(1,675,771)</u>     | <u>29,592</u>                | <u>(12,517)</u>      | <u>(90,496)</u>        | <u>(12,499)</u>      | <u>210</u>            | <u>4,610</u>            |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                        |                              |                      |                        |                      |                       |                         |
| Transfers in  | 1,715,000              | -                            | -                    | 118,000                | 17,300               | -                     | -                       |
| Transfers out   | -                      | -                            | -                    | -                      | -                    | -                     | -                       |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <u>1,715,000</u>       | <u>-</u>                     | <u>-</u>             | <u>118,000</u>         | <u>17,300</u>        | <u>-</u>              | <u>-</u>                |
| Net Change in Fund Balances                                   | 39,229                 | 29,592                       | (12,517)             | 27,504                 | 4,801                | 210                   | 4,610                   |
| <b>FUND BALANCES - BEGINNING</b>                              | <u>19,631</u>          | <u>28,773</u>                | <u>26,251</u>        | <u>2,645</u>           | <u>441</u>           | <u>3,115</u>          | <u>15,492</u>           |
| <b>FUND BALANCES - ENDING</b>                                 | <u>\$ 58,860</u>       | <u>\$ 58,365</u>             | <u>\$ 13,734</u>     | <u>\$ 30,149</u>       | <u>\$ 5,242</u>      | <u>\$ 3,325</u>       | <u>\$ 20,102</u>        |

(Continued)



BUFFALO COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2008

|   | Drug Fund        | Re-Use<br>Economic<br>Development<br>Fund | Bond<br>Debt<br>Fund | Weed Fund        | 911<br>Emergency<br>Service Fund | Total Nonmajor<br>Governmental<br>Funds |
|---|------------------|---|----------------------|------------------|----------------------------------|---|
| <b>RECEIPTS</b>   |                  |   |                      |                  |                                  |   |
| Property Taxes  | \$ -             | \$ -                                      | \$ -                 | \$ -             | \$ 143,255                       | \$ 628,775                              |
| Interest  | -                | -   | -                    | -                | -                                | 358                                     |
| Intergovernmental   | -                | -   | -                    | -                | -                                | 18,027                                  |
| Charges for Services  | -                | -   | -                    | 151,437          | -                                | 151,437                                 |
| Miscellaneous   | 49,523           | 50,637                                    | -                    | -                | 12,845                           | 136,343                                 |
| <b>TOTAL RECEIPTS</b>   | <u>49,523</u>    | <u>50,637</u>                             | <u>-</u>             | <u>151,437</u>   | <u>156,100</u>                   | <u>934,940</u>                          |
| <b>DISBURSEMENTS</b>  |                  |   |                      |                  |                                  |   |
| General Government  | -                | -   | -                    | -                | -                                | 12,517                                  |
| Public Safety   | -                | -   | -                    | -                | 132,922                          | 151,650                                 |
| Public Works  | -                | -   | -                    | 356,443          | -                                | 2,032,214                               |
| Public Assistance   | -                | -   | -                    | -                | -                                | 147,798                                 |
| Culture and Recreation  | -                | -   | -                    | -                | -                                | 429,300                                 |
| <b>TOTAL DISBURSEMENTS</b>                                    | <u>-</u>         | <u>-</u>                                  | <u>-</u>             | <u>356,443</u>   | <u>132,922</u>                   | <u>2,773,479</u>                        |
| <b>EXCESS (DEFICIENCY) OF RECEIPTS<br/>OVER DISBURSEMENTS</b> | <u>49,523</u>    | <u>50,637</u>                             | <u>-</u>             | <u>(205,006)</u> | <u>23,178</u>                    | <u>(1,838,539)</u>                      |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                  |   |                      |                  |                                  |   |
| Transfers in  | -                | -   | -                    | 202,000          | -                                | 2,052,300                               |
| Transfers out   | -                | -   | -                    | (1,645)          | -                                | (1,645)                                 |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>                   | <u>-</u>         | <u>-</u>                                  | <u>-</u>             | <u>200,355</u>   | <u>-</u>                         | <u>2,050,655</u>                        |
| Net Change in Fund Balances                                   | 49,523           | 50,637                                    | -                    | (4,651)          | 23,178                           | 212,116                                 |
| <b>FUND BALANCES - BEGINNING</b>                              | <u>2,134</u>     | <u>42,900</u>                             | <u>53</u>            | <u>17,529</u>    | <u>25,136</u>                    | <u>184,100</u>                          |
| <b>FUND BALANCES - ENDING</b>                                 | <u>\$ 51,657</u> | <u>\$ 93,537</u>                          | <u>\$ 53</u>         | <u>\$ 12,878</u> | <u>\$ 48,314</u>                 | <u>\$ 396,216</u>                       |

(Concluded)

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

For the Year Ended June 30, 2008

|                                      | Original<br>Budget | Final<br>Budget | Actual     | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|--------------------|-----------------|------------|---|
| <b>SPECIAL BRIDGE FUND</b>           |                    |                 |            |   |
| RECEIPTS                             | \$ -               | \$ -            | \$ -       | \$ -  |
| DISBURSEMENTS                        | 1,822,000          | 1,822,000       | 1,675,771  | 146,229   |
| OTHER FINANCING SOURCES (USES)       |                    |                 |            |   |
| Transfers in                         | 1,802,369          | 1,802,369       | 1,715,000  | (87,369)  |
| Transfers out                        | -                  | -               | -          | -   |
| TOTAL OTHER FINANCING SOURCES (USES) | 1,802,369          | 1,802,369       | 1,715,000  | (87,369)  |
| Net Change in Fund Balance           | (19,631)           | (19,631)        | 39,229     | 58,860  |
| FUND BALANCE - BEGINNING             | 19,631             | 19,631          | 19,631     | -   |
| FUND BALANCE - ENDING                | \$ -               | \$ -            | \$ 58,860  | \$ 58,860   |
| <b>VISITOR PROMOTION FUND</b>        |                    |                 |            |   |
| RECEIPTS                             |                    |                 |            |   |
| Taxes                                | \$ 405,727         | \$ 405,727      | \$ 458,534 | \$ 52,807   |
| Interest                             | -                  | -               | 358        | 358   |
| TOTAL RECEIPTS                       | 405,727            | 405,727         | 458,892    | 53,165  |
| DISBURSEMENTS                        | 434,500            | 434,500         | 429,300    | 5,200   |
| OTHER FINANCING SOURCES (USES)       |                    |                 |            |   |
| Transfers in                         | -                  | -               | -          | -   |
| Transfers out                        | -                  | -               | -          | -   |
| TOTAL OTHER FINANCING SOURCES (USES) | -                  | -               | -          | -   |
| Net Change in Fund Balance           | (28,773)           | (28,773)        | 29,592     | 58,365  |
| FUND BALANCE - BEGINNING             | 28,773             | 28,773          | 28,773     | -   |
| FUND BALANCE - ENDING                | \$ -               | \$ -            | \$ 58,365  | \$ 58,365   |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|------------------|---|
| <b>VISITOR PROMOTION<br/>IMPROVEMENT FUND</b> |                    |                 |                  |   |
| <b>RECEIPTS</b>                               |                    |                 |                  |   |
| Taxes   | \$ 125,300         | \$ 125,300      | \$ -             | \$ (125,300)  |
| <b>TOTAL RECEIPTS</b>                         | <b>125,300</b>     | <b>125,300</b>  | <b>-</b>         | <b>(125,300)</b>  |
| <b>DISBURSEMENTS</b>                          | <b>125,300</b>     | <b>125,300</b>  | <b>-</b>         | <b>125,300</b>  |
| <b>OTHER FINANCING SOURCES (USES)</b>         |                    |                 |                  |   |
| Transfers in                                  | -                  | -               | -                | -   |
| Transfers out                                 | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>-</b>           | <b>-</b>        | <b>-</b>         | <b>-</b>  |
| Net Change in Fund Balance                    | -                  | -               | -                | -   |
| FUND BALANCE - BEGINNING                      | -                  | -               | -                | -   |
| FUND BALANCE - ENDING                         | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ -</b>      | <b>\$ -</b>   |
| <b>UNEMPLOYMENT FUND</b>                      |                    |                 |                  |   |
| <b>RECEIPTS</b>                               | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ -</b>      | <b>\$ -</b>   |
| <b>DISBURSEMENTS</b>                          | <b>26,251</b>      | <b>26,251</b>   | <b>12,517</b>    | <b>13,734</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>         |                    |                 |                  |   |
| Transfers in                                  | -                  | -               | -                | -   |
| Transfers out                                 | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>-</b>           | <b>-</b>        | <b>-</b>         | <b>-</b>  |
| Net Change in Fund Balance                    | (26,251)           | (26,251)        | (12,517)         | 13,734  |
| FUND BALANCE - BEGINNING                      | 26,251             | 26,251          | 26,251           | -   |
| FUND BALANCE - ENDING                         | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ 13,734</b> | <b>\$ 13,734</b>  |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|------------------|---|
| <b>MEDICAL RELIEF FUND</b>                  |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Taxes                                       | \$ -               | \$ -            | \$ 11            | \$ 11   |
| Intergovernmental                           | -                  | -               | 14,790           | 14,790  |
| Miscellaneous                               | 10,000             | 10,000          | -                | (10,000)  |
| <b>TOTAL RECEIPTS</b>                       | <b>10,000</b>      | <b>10,000</b>   | <b>14,801</b>    | <b>4,801</b>  |
| <b>DISBURSEMENTS</b>                        | <b>96,500</b>      | <b>121,500</b>  | <b>105,297</b>   | <b>16,203</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | 83,855             | 108,855         | 118,000          | 9,145   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>83,855</b>      | <b>108,855</b>  | <b>118,000</b>   | <b>9,145</b>  |
| Net Change in Fund Balance                  | (2,645)            | (2,645)         | 27,504           | 30,149  |
| FUND BALANCE - BEGINNING                    | 2,645              | 2,645           | 2,645            | -   |
| FUND BALANCE - ENDING                       | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ 30,149</b> | <b>\$ 30,149</b>  |
| <b>INSTITUTIONS FUND</b>                    |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Taxes                                       | \$ -               | \$ -            | \$ 2             | \$ 2  |
| <b>TOTAL RECEIPTS</b>                       | <b>-</b>           | <b>-</b>        | <b>2</b>         | <b>2</b>  |
| <b>DISBURSEMENTS</b>                        | <b>13,500</b>      | <b>13,500</b>   | <b>12,501</b>    | <b>999</b>  |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | 13,059             | 13,059          | 17,300           | 4,241   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>13,059</b>      | <b>13,059</b>   | <b>17,300</b>    | <b>4,241</b>  |
| Net Change in Fund Balance                  | (441)              | (441)           | 4,801            | 5,242   |
| FUND BALANCE - BEGINNING                    | 441                | 441             | 441              | -   |
| FUND BALANCE - ENDING                       | <b>\$ -</b>        | <b>\$ -</b>     | <b>\$ 5,242</b>  | <b>\$ 5,242</b>   |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|------------------|---|
| <b>VETERANS' AID FUND</b>                   |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Taxes                                       | \$ 30,310          | \$ 30,310       | \$ 26,973        | \$ (3,337)  |
| Intergovernmental                           | 1,575              | 1,575           | 3,237            | 1,662   |
| <b>TOTAL RECEIPTS</b>                       | <b>31,885</b>      | <b>31,885</b>   | <b>30,210</b>    | <b>(1,675)</b>  |
| <b>DISBURSEMENTS</b>                        | <b>30,000</b>      | <b>30,000</b>   | <b>30,000</b>    | <b>-</b>  |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>-</b>           | <b>-</b>        | <b>-</b>         | <b>-</b>  |
| Net Change in Fund Balance                  | 1,885              | 1,885           | 210              | (1,675)   |
| FUND BALANCE - BEGINNING                    | 3,115              | 3,115           | 3,115            | -   |
| FUND BALANCE - ENDING                       | <u>\$ 5,000</u>    | <u>\$ 5,000</u> | <u>\$ 3,325</u>  | <u>\$ (1,675)</u>                                       |
| <b>STOP PROGRAM FUND</b>                    |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Miscellaneous                               | \$ 24,008          | \$ 24,008       | \$ 23,338        | \$ (670)  |
| <b>TOTAL RECEIPTS</b>                       | <b>24,008</b>      | <b>24,008</b>   | <b>23,338</b>    | <b>(670)</b>  |
| <b>DISBURSEMENTS</b>                        | <b>39,500</b>      | <b>39,500</b>   | <b>18,728</b>    | <b>20,772</b>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>-</b>           | <b>-</b>        | <b>-</b>         | <b>-</b>  |
| Net Change in Fund Balance                  | (15,492)           | (15,492)        | 4,610            | 20,102  |
| FUND BALANCE - BEGINNING                    | 15,492             | 15,492          | 15,492           | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 20,102</u> | <u>\$ 20,102</u>  |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|------------------|---|
| <b>DRUG FUND</b>                            |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Miscellaneous                               | \$ 28,366          | \$ 28,366       | \$ 49,523        | \$ 21,157   |
| <b>TOTAL RECEIPTS</b>                       | <u>28,366</u>      | <u>28,366</u>   | <u>49,523</u>    | <u>21,157</u>   |
| <b>DISBURSEMENTS</b>                        | <u>30,500</u>      | <u>30,500</u>   | <u>-</u>         | <u>30,500</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>-</u>           | <u>-</u>        | <u>-</u>         | <u>-</u>  |
| Net Change in Fund Balance                  | (2,134)            | (2,134)         | 49,523           | 51,657  |
| FUND BALANCE - BEGINNING                    | 2,134              | 2,134           | 2,134            | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 51,657</u> | <u>\$ 51,657</u>  |
| <b>FEDERAL GRANT FUND</b>                   |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Intergovernmental                           | \$ 1,500           | \$ 1,500        | \$ -             | \$ (1,500)  |
| <b>TOTAL RECEIPTS</b>                       | <u>1,500</u>       | <u>1,500</u>    | <u>-</u>         | <u>(1,500)</u>  |
| <b>DISBURSEMENTS</b>                        | <u>1,500</u>       | <u>1,500</u>    | <u>-</u>         | <u>1,500</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>-</u>           | <u>-</u>        | <u>-</u>         | <u>-</u>  |
| Net Change in Fund Balance                  | -                  | -               | -                | -   |
| FUND BALANCE - BEGINNING                    | -                  | -               | -                | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ -</u>      | <u>\$ -</u>   |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|------------------|---|
| <b>RE-USE ECONOMIC<br/>DEVELOPMENT FUND</b> |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Miscellaneous                               | \$ -               | \$ -            | \$ 50,637        | \$ 50,637   |
| <b>TOTAL RECEIPTS</b>                       | <b>-</b>           | <b>-</b>        | <b>50,637</b>    | <b>50,637</b>   |
| <b>DISBURSEMENTS</b>                        |                    |                 |                  |   |
|   | 42,900             | 42,900          | -                | 42,900  |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>-</b>           | <b>-</b>        | <b>-</b>         | <b>-</b>  |
| Net Change in Fund Balance                  | (42,900)           | (42,900)        | 50,637           | 93,537  |
| FUND BALANCE - BEGINNING                    | 42,900             | 42,900          | 42,900           | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 93,537</u> | <u>\$ 93,537</u>  |
| <b>BOND DEBT FUND</b>                       |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
|   | \$ -               | \$ -            | \$ -             | \$ -  |
| <b>DISBURSEMENTS</b>                        |                    |                 |                  |   |
|   | -                  | -               | -                | -   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | (53)               | (53)            | -                | 53  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <b>(53)</b>        | <b>(53)</b>     | <b>-</b>         | <b>53</b>   |
| Net Change in Fund Balance                  | (53)               | (53)            | -                | 53  |
| FUND BALANCE - BEGINNING                    | 53                 | 53              | 53               | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 53</u>     | <u>\$ 53</u>  |

(Continued)

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

For the Year Ended June 30, 2008

|   | Original<br>Budget | Final<br>Budget | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-----------------|------------------|---|
| <b>WEED FUND</b>                            |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Charges for Services                        | \$ 145,000         | \$ 145,000      | \$ 151,437       | \$ 6,437  |
| <b>TOTAL RECEIPTS</b>                       | <u>145,000</u>     | <u>145,000</u>  | <u>151,437</u>   | <u>6,437</u>  |
| <b>DISBURSEMENTS</b>                        | <u>367,088</u>     | <u>367,088</u>  | <u>356,443</u>   | <u>10,645</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | 204,559            | 204,559         | 202,000          | (2,559)   |
| Transfers out                               | -                  | -               | (1,645)          | (1,645)   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>204,559</u>     | <u>204,559</u>  | <u>200,355</u>   | <u>(4,204)</u>  |
| Net Change in Fund Balance                  | (17,529)           | (17,529)        | (4,651)          | 12,878  |
| FUND BALANCE - BEGINNING                    | 17,529             | 17,529          | 17,529           | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 12,878</u> | <u>\$ 12,878</u>  |
| <b>911 EMERGENCY SERVICE FUND</b>           |                    |                 |                  |   |
| <b>RECEIPTS</b>                             |                    |                 |                  |   |
| Taxes                                       | \$ 134,864         | \$ 134,864      | \$ 143,255       | \$ 8,391  |
| Miscellaneous                               | -                  | -               | 12,845           | 12,845  |
| <b>TOTAL RECEIPTS</b>                       | <u>134,864</u>     | <u>134,864</u>  | <u>156,100</u>   | <u>21,236</u>   |
| <b>DISBURSEMENTS</b>                        | <u>160,000</u>     | <u>160,000</u>  | <u>132,922</u>   | <u>27,078</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |                    |                 |                  |   |
| Transfers in                                | -                  | -               | -                | -   |
| Transfers out                               | -                  | -               | -                | -   |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b> | <u>-</u>           | <u>-</u>        | <u>-</u>         | <u>-</u>  |
| Net Change in Fund Balance                  | (25,136)           | (25,136)        | 23,178           | 48,314  |
| FUND BALANCE - BEGINNING                    | 25,136             | 25,136          | 25,136           | -   |
| FUND BALANCE - ENDING                       | <u>\$ -</u>        | <u>\$ -</u>     | <u>\$ 48,314</u> | <u>\$ 48,314</u>  |

(Concluded)



**BUFFALO COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2008

|                              | <u>County<br/>Clerk</u> | <u>Register of<br/>Deeds</u> | <u>Clerk of the<br/>District<br/>Court</u> | <u>County<br/>Sheriff</u> | <u>County<br/>Attorney</u> | <u>Weed<br/>Superintendent</u> | <u>Highway<br/>Superintendent</u> |
|------------------------------|-------------------------|------------------------------|--|---------------------------|----------------------------|--------------------------------|-----------------------------------|
| BALANCE JULY 1, 2007         | \$ 375                  | \$ 107,730                   | \$ 532,931                                 | \$ 78,346                 | \$ 33,383                  | \$ 67,791                      | \$ 45,185                         |
| <b>RECEIPTS</b>              |                         |                              |  |                           |                            |                                |                                   |
| Property Taxes               | -                       | -                            | -  | 140,795                   | -                          | -                              | -                                 |
| Licenses and Permits         | 5,820                   | -                            | -  | -                         | -                          | -                              | -                                 |
| Intergovernmental            | -                       | -                            | -  | 120,207                   | -                          | -                              | -                                 |
| Charges for Services         | 3,837                   | 271,307                      | 52,042                                     | 951,450                   | -                          | 154,997                        | 68,200                            |
| Miscellaneous                | -                       | -                            | -  | -                         | -                          | -                              | 24,233                            |
| State Fees                   | -                       | 318,714                      | 65,145                                     | -                         | -                          | 490                            | 138                               |
| Other Liabilities            | -                       | -                            | 2,321,188                                  | 116,024                   | 5,600                      | -                              | -                                 |
| <b>TOTAL RECEIPTS</b>        | <u>9,657</u>            | <u>590,021</u>               | <u>2,438,375</u>                           | <u>1,328,476</u>          | <u>5,600</u>               | <u>155,487</u>                 | <u>92,571</u>                     |
| <b>DISBURSEMENTS</b>         |                         |                              |  |                           |                            |                                |                                   |
| Payments to County Treasurer | 9,917                   | 282,370                      | 52,410                                     | 1,214,039                 | -                          | 151,436                        | 113,160                           |
| Payments to State Treasurer  | -                       | 351,302                      | 63,580                                     | -                         | -                          | 490                            | 138                               |
| Other Liabilities            | -                       | 1,356                        | 2,544,902                                  | 117,351                   | 15,667                     | -                              | -                                 |
| <b>TOTAL DISBURSEMENTS</b>   | <u>9,917</u>            | <u>635,028</u>               | <u>2,660,892</u>                           | <u>1,331,390</u>          | <u>15,667</u>              | <u>151,926</u>                 | <u>113,298</u>                    |
| BALANCE JUNE 30, 2008        | <u>\$ 115</u>           | <u>\$ 62,723</u>             | <u>\$ 310,414</u>                          | <u>\$ 75,432</u>          | <u>\$ 23,316</u>           | <u>\$ 71,352</u>               | <u>\$ 24,458</u>                  |
| <b>BALANCE CONSISTS OF:</b>  |                         |                              |  |                           |                            |                                |                                   |
| Due to County Treasurer      | \$ 30                   | \$ 25,823                    | \$ 5,205                                   | \$ 70,919                 | \$ 21,816                  | \$ 71,352                      | \$ 24,425                         |
| Petty Cash                   | 85                      | -                            | 1,000                                      | 1,000                     | 1,500                      | -                              | -                                 |
| Due to State Treasurer       | -                       | 35,052                       | 6,650                                      | -                         | -                          | -                              | 33                                |
| Due to Others                | -                       | 1,848                        | 297,559                                    | 3,513                     | -                          | -                              | -                                 |
| BALANCE JUNE 30, 2008        | <u>\$ 115</u>           | <u>\$ 62,723</u>             | <u>\$ 310,414</u>                          | <u>\$ 75,432</u>          | <u>\$ 23,316</u>           | <u>\$ 71,352</u>               | <u>\$ 24,458</u>                  |

(Continued)

BUFFALO COUNTY  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2008

|                              | Veterans'<br>Service<br>Officer | County<br>Election<br>Commissioner | County<br>Planning<br>and<br>Zoning | County<br>Probation<br>Officer | County<br>Public<br>Defender | County<br>Extension<br>Office | Total             |
|------------------------------|---------------------------------|------------------------------------|-------------------------------------|--------------------------------|------------------------------|-------------------------------|-------------------|
| BALANCE JULY 1, 2007         | \$ 24,502                       | \$ -                               | \$ 50                               | \$ 50                          | \$ 2,000                     | \$ 2,000                      | \$ 894,343        |
| <b>RECEIPTS</b>              |                                 |                                    |                                     |                                |                              |                               |                   |
| Property Taxes               | -                               | -                                  | -                                   | -                              | -                            | -                             | 140,795           |
| Licenses and Permits         | -                               | -                                  | 5,800                               | -                              | -                            | -                             | 11,620            |
| Intergovernmental            | -                               | -                                  | -                                   | -                              | -                            | -                             | 120,207           |
| Charges for Services         | -                               | 941                                | -                                   | -                              | -                            | -                             | 1,502,774         |
| Miscellaneous                | 30,099                          | -                                  | 16                                  | -                              | -                            | -                             | 54,348            |
| State Fees                   | -                               | -                                  | -                                   | -                              | -                            | -                             | 384,487           |
| Other Liabilities            | 3,339                           | -                                  | -                                   | -                              | -                            | -                             | 2,446,151         |
| <b>TOTAL RECEIPTS</b>        | <b>33,438</b>                   | <b>941</b>                         | <b>5,816</b>                        | <b>-</b>                       | <b>-</b>                     | <b>-</b>                      | <b>4,660,382</b>  |
| <b>DISBURSEMENTS</b>         |                                 |                                    |                                     |                                |                              |                               |                   |
| Payments to County Treasurer | -                               | 941                                | 5,816                               | -                              | -                            | -                             | 1,830,089         |
| Payments to State Treasurer  | -                               | -                                  | -                                   | -                              | -                            | -                             | 415,510           |
| Other Liabilities            | 24,812                          | -                                  | -                                   | -                              | -                            | -                             | 2,704,088         |
| <b>TOTAL DISBURSEMENTS</b>   | <b>24,812</b>                   | <b>941</b>                         | <b>5,816</b>                        | <b>-</b>                       | <b>-</b>                     | <b>-</b>                      | <b>4,949,687</b>  |
| BALANCE JUNE 30, 2008        | <u>\$ 33,128</u>                | <u>\$ -</u>                        | <u>\$ 50</u>                        | <u>\$ 50</u>                   | <u>\$ 2,000</u>              | <u>\$ 2,000</u>               | <u>\$ 605,038</u> |
| <b>BALANCE CONSISTS OF:</b>  |                                 |                                    |                                     |                                |                              |                               |                   |
| Due to County Treasurer      | \$ 31,413                       | \$ -                               | \$ -                                | \$ -                           | \$ -                         | \$ -                          | \$ 250,983        |
| Petty Cash                   | -                               | -                                  | 50                                  | 50                             | 2,000                        | 2,000                         | 7,685             |
| Due to State Treasurer       | -                               | -                                  | -                                   | -                              | -                            | -                             | 41,735            |
| Due to Others                | 1,715                           | -                                  | -                                   | -                              | -                            | -                             | 304,635           |
| BALANCE JUNE 30, 2008        | <u>\$ 33,128</u>                | <u>\$ -</u>                        | <u>\$ 50</u>                        | <u>\$ 50</u>                   | <u>\$ 2,000</u>              | <u>\$ 2,000</u>               | <u>\$ 605,038</u> |

(Concluded)

BUFFALO COUNTY  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED FOR**  
**ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
 June 30, 2008

| Item                              | 2003              | 2004              | 2005              | 2006              | 2007                |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| <b>Tax Certified by Assessor</b>  |                   |                   |                   |                   |                     |
| Real Estate                       | \$34,551,636      | \$36,594,587      | \$38,873,647      | \$42,957,626      | \$45,004,273        |
| Personal and Specials             | 4,605,598         | 4,575,874         | 4,434,737         | 4,768,422         | 5,157,510           |
| <b>Total</b>                      | <b>39,157,234</b> | <b>41,170,461</b> | <b>43,308,384</b> | <b>47,726,048</b> | <b>50,161,783</b>   |
| <b>Corrections</b>                |                   |                   |                   |                   |                     |
| Additions                         | 430,725           | 80,132            | 69,398            | 306,779           | 42,947              |
| Deductions                        | (142,803)         | (78,502)          | (38,745)          | (78,723)          | (24,549)            |
| Net Additions/<br>(Deductions)    | 287,922           | 1,630             | 30,653            | 228,056           | 18,398              |
| <b>Corrected Certified Tax</b>    | <b>39,445,156</b> | <b>41,172,091</b> | <b>43,339,037</b> | <b>47,954,104</b> | <b>50,180,181</b>   |
| <b>Net Tax Collected by</b>       |                   |                   |                   |                   |                     |
| County Treasurer during           |                   |                   |                   |                   |                     |
| Fiscal Year Ending:               |                   |                   |                   |                   |                     |
| June 30, 2004                     | 22,352,035        | -                 | -                 | -                 | -                   |
| June 30, 2005                     | 16,962,024        | 23,383,094        | -                 | -                 | -                   |
| June 30, 2006                     | 10,015            | 17,714,633        | 24,552,758        | -                 | -                   |
| June 30, 2007                     | 10,915            | 21,421            | 18,688,690        | 26,945,193        | -                   |
| June 30, 2008                     | 1,096             | 3,196             | 20,403            | 20,975,561        | 28,518,619          |
| <b>Total Net Collections</b>      | <b>39,336,085</b> | <b>41,122,344</b> | <b>43,261,851</b> | <b>47,920,754</b> | <b>28,518,619</b>   |
| <b>Total Uncollected Tax</b>      | <b>\$ 109,071</b> | <b>\$ 49,747</b>  | <b>\$ 77,186</b>  | <b>\$ 33,350</b>  | <b>\$21,661,562</b> |
| <b>Percentage Uncollected Tax</b> | <b>0.28%</b>      | <b>0.12%</b>      | <b>0.18%</b>      | <b>0.07%</b>      | <b>43.17%</b>       |



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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

Board of Supervisors  
Buffalo County, Nebraska

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Buffalo County as of and for the year ended June 30, 2008, and have issued our report thereon dated December 9, 2008. The report notes the financial statements were prepared on the basis of cash receipts and disbursements. Except as noted above, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

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

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's

financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiency to be a significant deficiency in internal control over financial reporting:

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

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

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

#### Compliance and Other Matters

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

We noted certain matters that we reported to management of Buffalo County in a separate letter dated December 9, 2008.

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

Signed Original on File

December 9, 2008

Deann Haeffner, CPA  
Assistant Deputy Auditor