

**AUDIT REPORT  
OF  
SALINE COUNTY**

**JULY 1, 2017, THROUGH JUNE 30, 2018**

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the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
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**Issued on March 7, 2019**

SALINE COUNTY

TABLE OF CONTENTS

	<u>Page</u>
<b>List of County Officials</b>	1
<b>Financial Section</b>	
Independent Auditor's Report	2 - 3
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position - Cash Basis	4
Statement of Activities - Cash Basis	5
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds	6
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Governmental Funds	7
Statement of Cash Basis Net Position - Fiduciary Funds	8
Notes to Financial Statements	9 - 18
Combining Statements and Schedules:	
Budgetary Comparison Schedule - Budget and Actual - General Fund	19 - 20
Budgetary Comparison Schedule - Budget and Actual - Major Funds	21
Budgetary Comparison Schedule - Budget and Actual - Nonmajor Funds	22 - 30
Combining Statement of Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Nonmajor Governmental Funds	31 - 35
Schedule of Office Activities	36
Schedule of Taxes Certified and Collected for All Political Subdivisions in the County	37
<b>Government Auditing Standards Section</b>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	38 - 39

SALINE COUNTY  
204 South High Street  
Wilber, NE 68465

**LIST OF COUNTY OFFICIALS**  
At June 30, 2018

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Janet Henning	Jan. 2021
	Russ Karpisek	Jan. 2021
	Marvin Kohout	Jan. 2021
	Stephanie Krivohlavek	Jan. 2019
	Willis Luedke	Jan. 2019
Assessor	Brandi Kelly	Jan. 2019
Attorney	Tad Eickman	Jan. 2019
Clerk	Daryl Fikar	Jan. 2019
Election Commissioner		
Register of Deeds		
Clerk of the District Court	Amber Mulbery	Jan. 2019
Sheriff	Alan Moore	Jan. 2019
Treasurer	Deb Spanyers	Jan. 2019
Veterans' Service Officer	Forrest Doyle	Appointed
Weed Superintendent	Lyle Weber	Appointed
Planning and Zoning		
Highway Superintendent	Bruce Filipi	Appointed
Emergency Manager	John McKee	Appointed
Surveyor	Nick Siedschlag	Appointed



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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## SALINE COUNTY

### INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Saline County, Nebraska

#### **Report on the Financial Statements**

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saline County, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and aggregate remaining fund information of Saline County as of June 30, 2018, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

## **Emphasis of Matters – Basis of Accounting**

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

## **Report on Supplementary Information**

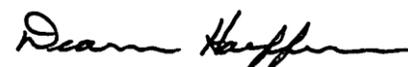
Our audit was conducted for the purpose of forming opinions on the financial statements as a whole, which collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes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

The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 19-37, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2019, on our consideration of Saline 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* in considering Saline County's internal control over financial reporting and compliance.

March 5, 2019



Deann Haeffner, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

SALINE COUNTY  
**STATEMENT OF NET POSITION - CASH BASIS**  
 June 30, 2018

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 7,884,225
Investments (Note 1.D)	900,000
<b>TOTAL ASSETS</b>	<b>\$ 8,784,225</b>
<b>NET POSITION</b>	
Restricted for:	
Visitor Promotion	\$ 40,812
Emergency Services	401,013
Law Enforcement	3,595
Preservation of Records	31,059
Debt Service	626,832
Bridge/Road Projects	418,607
Child Support Enforcement	73,033
Unrestricted	7,189,274
<b>TOTAL NET POSITION</b>	<b>\$ 8,784,225</b>

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

SALINE COUNTY  
**STATEMENT OF ACTIVITIES - CASH BASIS**  
For the Year Ended June 30, 2018

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
General Government	\$ (4,280,642)	\$ 469,956	\$ 79,899	\$ (3,730,787)
Public Safety	(3,659,494)	2,266,082	18,900	(1,374,512)
Public Works	(5,499,991)	410,426	2,638,481	(2,451,084)
Public Assistance	(199,099)	25,031	3,046	(171,022)
Culture and Recreation	(23,874)	-	-	(23,874)
Debt Payments	(1,051,093)	-	-	(1,051,093)
Capital Outlay	(1,632,695)	-	-	(1,632,695)
<b>Total Governmental Activities</b>	<b><u>\$ (16,346,888)</u></b>	<b><u>\$ 3,171,495</u></b>	<b><u>\$ 2,740,326</u></b>	<b><u>(10,435,067)</u></b>

General Receipts:

Property Taxes	10,144,511
Grants and Contributions Not Restricted to Specific Programs	1,170,091
Investment Income	72,145
Licenses and Permits	47,561
Miscellaneous	128,110
<b>Total General Receipts</b>	<b><u>11,562,418</u></b>
 Increase in Net Position	 1,127,351
Net Position - Beginning of year	7,656,874
Net Position - End of year	<b><u>\$ 8,784,225</u></b>

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

SALINE COUNTY  
**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
 June 30, 2018

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents (Note 1.D)	\$ 1,300,614	\$ 343,513	\$ 3,893,577	\$ 2,346,521	\$ 7,884,225
Investments (Note 1.D)	-	-	900,000	-	900,000
<b>TOTAL ASSETS</b>	<b>\$ 1,300,614</b>	<b>\$ 343,513</b>	<b>\$ 4,793,577</b>	<b>\$ 2,346,521</b>	<b>\$ 8,784,225</b>
 <b>FUND BALANCES</b>					
Restricted for:					
Visitor Promotion	-	-	-	40,812	40,812
Emergency Services	-	-	-	401,013	401,013
Law Enforcement	-	-	-	3,595	3,595
Preservation of Records	-	-	-	31,059	31,059
Debt Service	-	-	-	626,832	626,832
Bridge/Road Projects	-	-	-	418,607	418,607
Child Support Enforcement	-	-	-	73,033	73,033
Committed to:					
Law Enforcement	-	-	-	400,658	400,658
Bridge/Road Maintenance	-	343,513	-	318,641	662,154
Aid and Assistance	-	-	-	12,199	12,199
County Buildings	-	-	-	4,587	4,587
Bailiff Services	-	-	-	8,244	8,244
Reappraisal Services	-	-	-	260	260
Employee Wellness	-	-	-	6,877	6,877
Employment Security	-	-	-	104	104
Assigned to:					
Other Purposes	-	-	4,793,577	-	4,793,577
Unassigned	1,300,614	-	-	-	1,300,614
<b>TOTAL CASH BASIS FUND BALANCES</b>	<b>\$ 1,300,614</b>	<b>\$ 343,513</b>	<b>\$ 4,793,577</b>	<b>\$ 2,346,521</b>	<b>\$ 8,784,225</b>

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

SALINE COUNTY  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2018

	General Fund	Road Fund	Inheritance Fund	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>					
Property Taxes	\$ 6,304,727	\$ -	\$ 3,102,010	\$ 737,774	\$ 10,144,511
Licenses and Permits	41,511	6,050	-	-	47,561
Investment Income	72,109	-	-	36	72,145
Intergovernmental	694,518	2,221,059	-	994,840	3,910,417
Charges for Services	2,523,922	410,426	-	237,147	3,171,495
Miscellaneous	65,346	50,634	219	11,911	128,110
<b>TOTAL RECEIPTS</b>	<u>9,702,133</u>	<u>2,688,169</u>	<u>3,102,229</u>	<u>1,981,708</u>	<u>17,474,239</u>
<b>DISBURSEMENTS</b>					
General Government	4,050,846	-	159,150	70,646	4,280,642
Public Safety	3,318,467	-	-	341,027	3,659,494
Public Works	223,616	5,009,617	-	266,758	5,499,991
Public Assistance	39,598	-	-	159,501	199,099
Culture and Recreation	-	-	-	23,874	23,874
Debt Service:					
Principal Payments	-	-	-	660,000	660,000
Interest and Fiscal Charges	-	-	-	391,093	391,093
Capital Outlay	-	-	733,838	898,857	1,632,695
<b>TOTAL DISBURSEMENTS</b>	<u>7,632,527</u>	<u>5,009,617</u>	<u>892,988</u>	<u>2,811,756</u>	<u>16,346,888</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>2,069,606</u>	<u>(2,321,448)</u>	<u>2,209,241</u>	<u>(830,048)</u>	<u>1,127,351</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	1,380,481	5,601,869	2,241,658	865,477	10,089,485
Transfers out	<u>(3,676,065)</u>	<u>(3,347,708)</u>	<u>(2,480,046)</u>	<u>(585,666)</u>	<u>(10,089,485)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,295,584)</u>	<u>2,254,161</u>	<u>(238,388)</u>	<u>279,811</u>	<u>-</u>
Net Change in Fund Balances	(225,978)	(67,287)	1,970,853	(550,237)	1,127,351
<b>CASH BASIS FUND BALANCES - BEGINNING</b>					
	<u>1,526,592</u>	<u>410,800</u>	<u>2,822,724</u>	<u>2,896,758</u>	<u>7,656,874</u>
<b>CASH BASIS FUND BALANCES - ENDING</b>					
	<u>\$ 1,300,614</u>	<u>\$ 343,513</u>	<u>\$ 4,793,577</u>	<u>\$ 2,346,521</u>	<u>\$ 8,784,225</u>

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

SALINE COUNTY  
**STATEMENT OF CASH BASIS NET POSITION**  
**FIDUCIARY FUNDS**  
June 30, 2018

	Agency Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 736,996
 <b>LIABILITIES</b>	
Due to other governments	
State	265,614
Schools	360,011
Educational Service Units	3,626
Technical College	20,582
Natural Resource Districts	5,588
Fire Districts	4,187
Municipalities	69,212
Agricultural Society	1,007
Historical Society	246
Airport Authority	358
Hospital	1,254
Others	5,311
<b>TOTAL LIABILITIES</b>	<b>736,996</b>
 <b>TOTAL NET ASSETS</b>	 <b>\$ -</b>

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2018

1. **Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

Saline County, Nebraska, (County) is a governmental entity established under and governed by the laws of the State of Nebraska (State). The County is managed by county officials who are elected on a political ballot for four-year terms. As a political subdivision of the State, the County is exempt from State and Federal income taxes. The financial statements include all funds of the County that are not legally separate. The County has also considered all potential component units for which it is financially accountable, as well as other organizations that are either fiscally dependent on the County or maintain a significant relationship with the County, such that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County is also considered financially accountable if an organization is fiscally dependent on and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the County (the primary government). No component units were identified.

**Joint Organization.**

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

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$56,924 toward the operation of the Region during fiscal year 2018. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

Health Department – The County has entered into an agreement with the Public Health Solutions (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2009, Cum. Supp. 2016, Supp. 2017).

The Department’s governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2018. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Supp. 2017). Financial information for the Department is available in that report.

**B. Basis of Presentation**

**Government-Wide Financial Statements.** The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County and are in the format of government-wide statements, as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities. Internal activities in these statements were considered immaterial and have not been eliminated. Governmental Generally Accepted Accounting Principles (GAAP) requires internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities are generally financed through taxes, intergovernmental receipts, and other nonexchange transactions. The Statement of Net Position presents the County’s non-fiduciary assets in two categories:

**Restricted.** This category results when constraints are externally imposed on net asset use by creditors, grantors, or contributors, or imposed by law through constitutional provisions or enabling legislation. 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.

**Unrestricted.** This category represents resources that do not meet the definition of the preceding category. Unrestricted resources often have constraints on resources that are imposed by management, but those constraints can be removed or modified.

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

The County reports the following major governmental funds:

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

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

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

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

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

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

**Capital Project Funds.** The Other Capital Projects Fund accounts for all resources received and used for the acquisition or development of major capital improvements.

**Debt Service Fund.** The Jail Bond Fund, Courthouse Building Bond Fund, and Highway Bond Fund account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

The County designates fund balances as follows:

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

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

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

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

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

**D. Assets and Net Position**

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

**Investments.** The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. § 77-2315, § 77-2340, and § 77-2341 (Reissue 2009) and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities, which are authorized by the Nebraska Investment Council.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

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

**Restricted Net Position.** When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net position is reported as restricted when constraints placed on its use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$1,594,951 of restricted net position, which is fully restricted by enabling legislation.

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

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

**Excess of Disbursements Over Appropriations.** For the year ended June 30, 2018, disbursements exceeded budgeted appropriations in the Miscellaneous function of the General Fund by \$67,598, and in the Road, Aging Services, and Courthouse Building Bond Funds by \$2,729,625, \$22,806, and \$59,267, respectively. These over-expenditures were mainly a result of multiple transfers to repay General and Inheritance Funds transfers out.

2. **Deposits and Investments**

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

At year end, the County's carrying amount of deposits was \$7,884,225 for County funds and \$736,996 for Fiduciary funds. The bank balances for all funds totaled \$8,611,720. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2018, 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 is stated at cost, which approximates market. Investments consisted of \$900,000 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 that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

3. **Property Taxes**

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

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Property Taxes** (Concluded)

The levy set in October 2017, for the 2017 taxes, which will be materially collected in May and September 2018, was set at \$.293493/\$100 of assessed valuation. The levy set in October 2016, for the 2016 taxes, which were materially collected in May and September 2017, was set at \$.304198/\$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.

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

4. **Retirement System**

The Retirement System for Nebraska Counties (Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2012, Cum. Supp. 2016, Supp. 2017) and may be amended through legislative action.

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

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by § 23-2307 and § 23-2308 and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts. The employee's account is fully vested. The employer's account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Non-vested County contributions are forfeited upon termination. Forfeitures are used to cover a portion of the pension plan's administrative expenses. Prior service benefits are paid directly by the County to the retired employee. The Plan's financial statements, including pension costs and obligations, are audited annually and can be obtained from the State of Nebraska Public Employees Retirement System.

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, 2018, 126 employees contributed \$237,399, and the County contributed \$350,597. Contributions included \$11,005 in cash contributions towards the supplemental law enforcement plan for 20 law enforcement employees.

SALINE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**5. Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 91 counties and local governments throughout Nebraska.

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

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

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

The County has not paid any additional assessments to the pool or paid out any amounts that exceeded coverage provided by the pool in the last three fiscal years. There were no significant reductions in insurance coverage from the prior year coverage.

**6. Interfund Transfers**

Interfund transfers for the year ended June 30, 2018, consisted of the following:

<b>Transfers to</b>	Transfers from				Total
	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	
General Fund	\$ -	\$ 804,708	\$ 447,770	\$ 128,003	\$ 1,380,481
Road Fund	3,560,584	-	1,777,000	264,285	5,601,869
Inheritance Fund	-	2,094,482	-	147,176	2,241,658
Nonmajor Funds	115,481	448,518	255,276	46,202	865,477
Total	\$ 3,676,065	\$ 3,347,708	\$ 2,480,046	\$ 585,666	\$ 10,089,485

SALINE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**6. Interfund Transfers** (Concluded)

Transfers are used to move unrestricted receipts collected in the General Fund and Inheritance Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. During the fiscal year, the County made multiple transfers from the General Fund and Inheritance Fund to other nonmajor funds, which were eventually repaid back to the General and Inheritance Funds.

**7. Long-Term Debt**

**Highway Allocation Bonds.** The County issued bonds on June 26, 2012, in the amount of \$6,015,000 for the purpose of paying the costs of street, road, and highway projects within the County. The bond payable balance, as of June 30, 2018, was \$4,730,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. The County plans to use future highway allocation receipts to pay off the bonds.

Future Payments:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2019	\$ 265,000	\$ 134,891	\$ 399,891
2020	270,000	130,607	400,607
2021	275,000	125,426	400,426
2022	280,000	119,388	399,388
2023	285,000	112,605	397,605
2024-2028	1,545,000	436,198	1,981,198
2029-2033	1,810,000	163,924	1,973,924
<b>Total Payments</b>	<b>\$ 4,730,000</b>	<b>\$ 1,223,039</b>	<b>\$ 5,953,039</b>

**Law Enforcement Center Bonds.** The County issued bonds on April 24, 2014, in the amount of \$2,550,000 for the purpose of paying the costs of constructing a new jail. The bond payable balance, as of June 30, 2018, was \$950,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2019	\$ 405,000	\$ 11,077	\$ 416,077
2020	410,000	5,573	415,573
2021	135,000	1,249	136,249
<b>Total Payments</b>	<b>\$ 950,000</b>	<b>\$ 17,899</b>	<b>\$ 967,899</b>

SALINE COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Concluded)

**7. Long-Term Debt** (Concluded)

**Courthouse Building Bonds.** The County issued bonds on June 11, 2015, in the amount of \$7,715,000 for the purpose of paying the costs of constructing an addition to the courthouse and renovating the existing courthouse. The bond payable balance, as of June 30, 2018, was \$7,715,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2019	\$ -	\$ 237,527	\$ 237,527
2020	-	237,527	237,527
2021	265,000	234,878	499,878
2022	410,000	228,128	638,128
2023	420,000	219,513	639,513
2024-2028	2,235,000	935,722	3,170,722
2029-2033	2,595,000	563,420	3,158,420
2034-2036	1,790,000	101,641	1,891,641
<b>Total Payments</b>	<b>\$ 7,715,000</b>	<b>\$ 2,758,356</b>	<b>\$ 10,473,356</b>

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 6,714,778	\$ 6,714,778	\$ 6,304,727	\$ (410,051)
Licenses and Permits	37,700	37,700	41,511	3,811
Interest	23,000	23,000	72,109	49,109
Intergovernmental	158,300	158,300	694,518	536,218
Charges for Services	2,326,300	2,326,300	2,523,922	197,622
Miscellaneous	40,000	40,000	65,346	25,346
<b>TOTAL RECEIPTS</b>	<u>9,300,078</u>	<u>9,300,078</u>	<u>9,702,133</u>	<u>402,055</u>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	155,500	155,500	149,250	6,250
County Clerk	207,210	207,210	190,461	16,749
County Treasurer	295,726	295,726	280,143	15,583
County Assessor	309,642	309,642	267,411	42,231
Election Commissioner	38,050	38,050	27,748	10,302
Building and Zoning	23,494	23,494	21,838	1,656
Clerk of the District Court	103,214	103,214	101,705	1,509
County Court System	18,000	18,000	14,268	3,732
Building and Grounds	265,338	265,338	261,085	4,253
Agricultural Extension Agent	150,445	150,445	149,720	725
Data Processing	27,000	27,000	25,547	1,453
Administrative Service (HR/IT)	53,914	53,914	52,409	1,505
Miscellaneous	2,880,419	2,880,419	2,509,261	371,158
Public Safety				
County Sheriff	936,598	936,598	926,785	9,813
County Attorney	226,805	226,805	209,260	17,545
911 Emergency Services	275,019	275,019	247,281	27,738
County Jail	1,801,015	1,801,015	1,739,223	61,792
Emergency Management	74,450	74,450	57,371	17,079
Attorney - Child Support	120,139	120,139	90,575	29,564
CDC - Child Support	366,643	366,643	47,972	318,671
Public Works				
County Surveyor	32,151	32,151	29,652	2,499
Noxious Weed Control	54,664	54,664	53,524	1,140
Highway Department	154,750	154,750	140,440	14,310
Public Assistance				
Veterans' Service Officer	42,873	42,873	39,598	3,275
<b>TOTAL DISBURSEMENTS</b>	<u>8,613,059</u>	<u>8,613,059</u>	<u>7,632,527</u>	<u>980,532</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>				
	<u>687,019</u>	<u>687,019</u>	<u>2,069,606</u>	<u>1,382,587</u>

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,399,104	1,399,104	1,380,481	(18,623)
Transfers out	(3,237,309)	(3,237,309)	(3,676,065)	(438,756)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,838,205)</u>	<u>(1,838,205)</u>	<u>(2,295,584)</u>	<u>(457,379)</u>
Net Change in Fund Balance	(1,151,186)	(1,151,186)	(225,978)	925,208
<b>FUND BALANCE - BEGINNING</b>	<u>1,526,592</u>	<u>1,526,592</u>	<u>1,526,592</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 375,406</u>	<u>\$ 375,406</u>	<u>\$1,300,614</u>	<u>\$ 925,208</u>

(Concluded)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Licenses and Permits	\$ 5,000	\$ 5,000	\$ 6,050	\$ 1,050
Intergovernmental	2,088,488	2,088,488	2,221,059	132,571
Charges for Services	360,000	360,000	410,426	50,426
Miscellaneous	50,000	50,000	50,634	634
<b>TOTAL RECEIPTS</b>	<b>2,503,488</b>	<b>2,503,488</b>	<b>2,688,169</b>	<b>184,681</b>
<b>DISBURSEMENTS</b>	<b>4,992,700</b>	<b>4,992,700</b>	<b>5,009,617</b>	<b>(16,917)</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(2,489,212)</b>	<b>(2,489,212)</b>	<b>(2,321,448)</b>	<b>167,764</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,014,000	3,014,000	5,601,869	2,587,869
Transfers out	(635,000)	(635,000)	(3,347,708)	(2,712,708)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>2,379,000</b>	<b>2,379,000</b>	<b>2,254,161</b>	<b>(124,839)</b>
Net Change in Fund Balance	(110,212)	(110,212)	(67,287)	42,925
FUND BALANCE - BEGINNING	410,800	410,800	410,800	-
FUND BALANCE - ENDING	<b>\$ 300,588</b>	<b>\$ 300,588</b>	<b>\$ 343,513</b>	<b>\$ 42,925</b>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 250,000	\$ 250,000	\$ 3,102,010	\$ 2,852,010
Miscellaneous	-	-	219	219
<b>TOTAL RECEIPTS</b>	<b>250,000</b>	<b>250,000</b>	<b>3,102,229</b>	<b>2,852,229</b>
<b>DISBURSEMENTS</b>	<b>2,121,298</b>	<b>2,121,298</b>	<b>892,988</b>	<b>1,228,310</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(1,871,298)</b>	<b>(1,871,298)</b>	<b>2,209,241</b>	<b>4,080,539</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	338,574	338,574	2,241,658	1,903,084
Transfers out	(1,290,000)	(1,290,000)	(2,480,046)	(1,190,046)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(951,426)</b>	<b>(951,426)</b>	<b>(238,388)</b>	<b>713,038</b>
Net Change in Fund Balance	(2,822,724)	(2,822,724)	1,970,853	4,793,577
FUND BALANCE - BEGINNING	2,822,724	2,822,724	2,822,724	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,793,577</b>	<b>\$ 4,793,577</b>

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EMERGENCY BRIDGE FUND</b>				
Receipts	\$ -	\$ -	\$ 11	\$ 11
Disbursements	(173,245)	(173,245)	-	173,245
Transfers in	173,233	173,233	304,233	131,000
Transfers out	-	-	(131,000)	(131,000)
Net Change in Fund Balance	(12)	(12)	173,244	173,256
Fund Balance - Beginning	12	12	12	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,256</u>	<u>\$ 173,256</u>
<b>HIGHWAY BUYBACK FUND</b>				
Receipts	\$ 327,731	\$ 327,731	\$ 327,733	\$ 2
Disbursements	(817,697)	(817,697)	(266,758)	550,939
Transfers in	-	-	-	-
Transfers out	-	-	(132,679)	(132,679)
Net Change in Fund Balance	(489,966)	(489,966)	(71,704)	418,262
Fund Balance - Beginning	489,966	489,966	489,966	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418,262</u>	<u>\$ 418,262</u>
<b>SPECIAL ROAD FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(144,285)	(144,285)	-	144,285
Transfers in	144,285	144,285	144,285	-
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	144,285	144,285
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,285</u>	<u>\$ 144,285</u>
<b>DISTRICT COURT - BAILIFF FUND</b>				
Receipts	\$ 42,200	\$ 42,200	\$ 42,200	\$ -
Disbursements	(73,970)	(73,970)	(70,623)	3,347
Transfers in	29,240	29,240	29,240	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(2,530)	(2,530)	817	3,347
Fund Balance - Beginning	7,427	7,427	7,427	-
Fund Balance - Ending	<u>\$ 4,897</u>	<u>\$ 4,897</u>	<u>\$ 8,244</u>	<u>\$ 3,347</u>

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>CHILD SUPPORT ENFORCEMENT FUND</b>				
Receipts	\$ -	\$ -	\$ 15,882	\$ 15,882
Disbursements	(59,848)	(59,848)	(1,309)	58,539
Transfers in	-	-	-	-
Transfers out	-	-	(1,388)	(1,388)
Net Change in Fund Balance	(59,848)	(59,848)	13,185	73,033
Fund Balance - Beginning	59,848	59,848	59,848	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,033</u>	<u>\$ 73,033</u>
<b>VISITOR PROMOTION FUND</b>				
Receipts	\$ 13,093	\$ 13,093	\$ 11,326	\$ (1,767)
Disbursements	(36,000)	(36,000)	(16,150)	19,850
Net Change in Fund Balance	(22,907)	(22,907)	(4,824)	18,083
Fund Balance - Beginning	22,907	22,907	22,907	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,083</u>	<u>\$ 18,083</u>
<b>VISITOR IMPROVEMENT FUND</b>				
Receipts	\$ 6,217	\$ 6,217	\$ 5,663	\$ (554)
Disbursements	(16,000)	(16,000)	(5,375)	10,625
Net Change in Fund Balance	(9,783)	(9,783)	288	10,071
Fund Balance - Beginning	9,783	9,783	9,783	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,071</u>	<u>\$ 10,071</u>
<b>VETERANS' MEMORIAL FUND</b>				
Receipts	\$ 6,217	\$ 6,217	\$ 5,663	\$ (554)
Disbursements	(15,466)	(15,466)	(2,349)	13,117
Transfers in	-	-	95	95
Transfers out	-	-	-	-
Net Change in Fund Balance	(9,249)	(9,249)	3,409	12,658
Fund Balance - Beginning	9,249	9,249	9,249	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,658</u>	<u>\$ 12,658</u>

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REAPPRAISAL FUND</b>				
Receipts	\$ -	\$ -	\$ 50	\$ 50
Disbursements	(63,960)	(63,960)	(37,326)	26,634
Transfers in	63,924	63,924	37,500	(26,424)
Transfers out	-	-	-	-
Net Change in Fund Balance	(36)	(36)	224	260
Fund Balance - Beginning	36	36	36	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260</u>	<u>\$ 260</u>
<b>PRESERVATION AND MODERNIZATION FUND</b>				
Receipts	\$ 8,334	\$ 8,334	\$ 7,786	\$ (548)
Disbursements	(31,500)	(31,500)	-	31,500
Transfers in	-	-	107	107
Transfers out	-	-	-	-
Net Change in Fund Balance	(23,166)	(23,166)	7,893	31,059
Fund Balance - Beginning	23,166	23,166	23,166	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,059</u>	<u>\$ 31,059</u>
<b>EMPLOYMENT SECURITY ACT FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(104)	(104)	-	104
Net Change in Fund Balance	(104)	(104)	-	104
Fund Balance - Beginning	104	104	104	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104</u>	<u>\$ 104</u>
<b>EMPLOYEE WELLNESS FUND</b>				
Receipts	\$ 3,100	\$ 3,100	\$ 4,993	\$ 1,893
Disbursements	(24,350)	(24,350)	(19,366)	4,984
Transfers in	10,597	10,597	10,597	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(10,653)	(10,653)	(3,776)	6,877
Fund Balance - Beginning	10,653	10,653	10,653	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,877</u>	<u>\$ 6,877</u>

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>VETERANS' AID FUND</b>				
Receipts	\$ -	\$ -	\$ 1	\$ 1
Disbursements	(5,329)	(5,329)	(1,000)	4,329
Net Change in Fund Balance	(5,329)	(5,329)	(999)	4,330
Fund Balance - Beginning	5,329	5,329	5,329	-
Fund Balance - Ending	\$ -	\$ -	\$ 4,330	\$ 4,330
<b>AGING SERVICES FUND</b>				
Receipts	\$ 171,745	\$ 171,745	\$ 128,140	\$ (43,605)
Disbursements	(176,817)	(176,817)	(158,501)	18,316
Transfers in	5,072	5,072	78,200	73,128
Transfers out	(4,170)	(4,170)	(45,292)	(41,122)
Net Change in Fund Balance	(4,170)	(4,170)	2,547	6,717
Fund Balance - Beginning	5,322	5,322	5,322	-
Fund Balance - Ending	\$ 1,152	\$ 1,152	\$ 7,869	\$ 6,717
<b>JUVENILE DIVERSION FUND</b>				
Receipts	\$ 905	\$ 905	\$ 920	\$ 15
Disbursements	(9,253)	(9,253)	(178)	9,075
Net Change in Fund Balance	(8,348)	(8,348)	742	9,090
Fund Balance - Beginning	8,348	8,348	8,348	-
Fund Balance - Ending	\$ -	\$ -	\$ 9,090	\$ 9,090
<b>DRUG LAW ENFORCEMENT AND EDUCATION FUND</b>				
Receipts	\$ 100	\$ 100	\$ -	\$ (100)
Disbursements	(100)	(100)	-	100
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DRUG COURT FUND</b>				
Receipts	\$ 19,584	\$ 19,584	\$ 20,365	\$ 781
Disbursements	(26,500)	(26,500)	(23,552)	2,948
Transfers in	5,702	5,702	5,702	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(1,214)	(1,214)	2,515	3,729
Fund Balance - Beginning	6,406	6,406	6,406	-
Fund Balance - Ending	<u>\$ 5,192</u>	<u>\$ 5,192</u>	<u>\$ 8,921</u>	<u>\$ 3,729</u>
<b>FEDERAL DRUG LAW ENFORCEMENT FUND</b>				
Receipts	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
Disbursements	(2,000)	(2,000)	-	2,000
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>GRANT FUND</b>				
Receipts	\$ 100,000	\$ 100,000	\$ 16,927	\$ (83,073)
Disbursements	(97,765)	(97,765)	(19,053)	78,712
Transfers in	-	-	17,801	17,801
Transfers out	(3,000)	(3,000)	(16,095)	(13,095)
Net Change in Fund Balance	(765)	(765)	(420)	345
Fund Balance - Beginning	765	765	765	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345</u>	<u>\$ 345</u>
<b>HOMELAND SECURITY GRANT FUND</b>				
Receipts	\$ 26,373	\$ 26,373	\$ -	\$ (26,373)
Disbursements	(27,000)	(27,000)	-	27,000
Net Change in Fund Balance	(627)	(627)	-	627
Fund Balance - Beginning	627	627	627	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 627</u>	<u>\$ 627</u>

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EMERGENCY PREPAREDNESS GRANT FUND</b>				
Receipts	\$ 34,341	\$ 34,341	\$ -	\$ (34,341)
Disbursements	(50,650)	(50,650)	(11,260)	39,390
Transfers in	-	-	-	-
Transfers out	(16,922)	(16,922)	-	16,922
Net Change in Fund Balance	(33,231)	(33,231)	(11,260)	21,971
Fund Balance - Beginning	33,231	33,231	33,231	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,971</u>	<u>\$ 21,971</u>
<b>JUVENILE SERVICES AID GRANT FUND</b>				
Receipts	\$ 48,594	\$ 48,594	\$ 18,900	\$ (29,694)
Disbursements	(51,586)	(51,586)	(18,297)	33,289
Transfers in	-	-	1,990	1,990
Transfers out	-	-	(1,990)	(1,990)
Net Change in Fund Balance	(2,992)	(2,992)	603	3,595
Fund Balance - Beginning	2,992	2,992	2,992	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,595</u>	<u>\$ 3,595</u>
<b>911 EMERGENCY MANAGEMENT FUND</b>				
Receipts	\$ 30,353	\$ 30,353	\$ 30,951	\$ 598
Disbursements	(93,000)	(93,000)	(11,855)	81,145
Transfers in	-	-	859	859
Transfers out	-	-	(42)	(42)
Net Change in Fund Balance	(62,647)	(62,647)	19,913	82,560
Fund Balance - Beginning	62,647	62,647	62,647	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,560</u>	<u>\$ 82,560</u>
<b>911 WIRELESS SERVICE FUND</b>				
Receipts	\$ 61,765	\$ 61,765	\$ 62,868	\$ 1,103
Disbursements	(64,147)	(64,147)	(19,256)	44,891
Transfers in	-	-	1,288	1,288
Transfers out	(45,854)	(45,854)	(44,660)	1,194
Net Change in Fund Balance	(48,236)	(48,236)	240	48,476
Fund Balance - Beginning	48,236	48,236	48,236	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,476</u>	<u>\$ 48,476</u>

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>911 WIRELESS HOLDING FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(248,573)	(248,573)	-	248,573
Transfers in	45,854	45,854	44,660	(1,194)
Transfers out	-	-	-	-
Net Change in Fund Balance	(202,719)	(202,719)	44,660	247,379
Fund Balance - Beginning	202,719	202,719	202,719	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,379</u>	<u>\$ 247,379</u>
<b>COMMISSARY FUND</b>				
Receipts	\$ 145,277	\$ 145,277	\$ 187,132	\$ 41,855
Disbursements	(371,000)	(371,000)	(164,343)	206,657
Net Change in Fund Balance	(225,723)	(225,723)	22,789	248,512
Fund Balance - Beginning	225,723	225,723	225,723	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 248,512</u>	<u>\$ 248,512</u>
<b>CRIME PREVENTION FUND</b>				
Receipts	\$ 36,539	\$ 36,539	\$ 12,475	\$ (24,064)
Disbursements	(158,000)	(158,000)	(1,301)	156,699
Transfers in	-	-	1,500	1,500
Transfers out	-	-	-	-
Net Change in Fund Balance	(121,461)	(121,461)	12,674	134,135
Fund Balance - Beginning	121,461	121,461	121,461	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,135</u>	<u>\$ 134,135</u>
<b>JAIL BOND FUND</b>				
Receipts	\$ 401,546	\$ 401,546	\$ 427,979	\$ 26,433
Disbursements	(756,847)	(756,847)	(415,258)	341,589
Net Change in Fund Balance	(355,301)	(355,301)	12,721	368,022
Fund Balance - Beginning	355,301	355,301	355,301	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 368,022</u>	<u>\$ 368,022</u>

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>COURTHOUSE BUILDING BOND FUND</b>				
Receipts	\$ 248,660	\$ 248,660	\$ 252,433	\$ 3,773
Disbursements	(284,261)	(284,261)	(237,528)	46,733
Transfers in	106,000	106,000	187,350	81,350
Transfers out	(106,000)	(106,000)	(212,000)	(106,000)
Net Change in Fund Balance	(35,601)	(35,601)	(9,745)	25,856
Fund Balance - Beginning	35,601	35,601	35,601	-
Fund Balance - Ending	\$ -	\$ -	\$ 25,856	\$ 25,856
<b>HIGHWAY BOND FUND</b>				
Receipts	\$ 401,310	\$ 401,310	\$ 401,310	\$ -
Disbursements	(631,261)	(631,261)	(398,307)	232,954
Net Change in Fund Balance	(229,951)	(229,951)	3,003	232,954
Fund Balance - Beginning	229,951	229,951	229,951	-
Fund Balance - Ending	\$ -	\$ -	\$ 232,954	\$ 232,954
<b>INFRASTRUCTURE DAMAGE &amp; DISASTER FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(1,100)	(1,100)	-	1,100
Net Change in Fund Balance	(1,100)	(1,100)	-	1,100
Fund Balance - Beginning	1,100	1,100	1,100	-
Fund Balance - Ending	\$ -	\$ -	\$ 1,100	\$ 1,100
<b>COUNTY BUILDING FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(17,500)	(17,500)	(9,689)	7,811
Transfers in	2,774	2,774	70	(2,704)
Transfers out	-	-	(520)	(520)
Net Change in Fund Balance	(14,726)	(14,726)	(10,139)	4,587
Fund Balance - Beginning	14,726	14,726	14,726	-
Fund Balance - Ending	\$ -	\$ -	\$ 4,587	\$ 4,587

(Continued)

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

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>OTHER CAPITAL PROJECTS FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(903,122)	(903,122)	(903,122)	-
Net Change in Fund Balance	(903,122)	(903,122)	(903,122)	-
Fund Balance - Beginning	903,122	903,122	903,122	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

(Concluded)

**SALINE COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2018

	Emergency Bridge Fund	Highway Buyback Fund	Special Road Fund	District Court - Bailiff Fund	Child Support Enforcement Fund	Visitor Promotion Fund	Visitor Improvement Fund
<b>RECEIPTS</b>							
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,326	\$ 5,663
Investment Income	-	-	-	-	-	-	-
Intergovernmental	11	327,733	-	42,200	15,882	-	-
Charges for Services	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<u>11</u>	<u>327,733</u>	<u>-</u>	<u>42,200</u>	<u>15,882</u>	<u>11,326</u>	<u>5,663</u>
<b>DISBURSEMENTS</b>							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	70,623	1,309	-	-
Public Works	-	266,758	-	-	-	-	-
Public Assistance	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	16,150	5,375
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>-</u>	<u>266,758</u>	<u>-</u>	<u>70,623</u>	<u>1,309</u>	<u>16,150</u>	<u>5,375</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>11</u>	<u>60,975</u>	<u>-</u>	<u>(28,423)</u>	<u>14,573</u>	<u>(4,824)</u>	<u>288</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	304,233	-	144,285	29,240	-	-	-
Transfers out	(131,000)	(132,679)	-	-	(1,388)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>173,233</u>	<u>(132,679)</u>	<u>144,285</u>	<u>29,240</u>	<u>(1,388)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	173,244	(71,704)	144,285	817	13,185	(4,824)	288
<b>FUND BALANCES - BEGINNING</b>	<u>12</u>	<u>489,966</u>	<u>-</u>	<u>7,427</u>	<u>59,848</u>	<u>22,907</u>	<u>9,783</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 173,256</u>	<u>\$ 418,262</u>	<u>\$ 144,285</u>	<u>\$ 8,244</u>	<u>\$ 73,033</u>	<u>\$ 18,083</u>	<u>\$ 10,071</u>
<b>FUND BALANCES:</b>							
Restricted for:							
Visitor Promotion	-	-	-	-	-	18,083	10,071
Emergency Services	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Bridge/Road Projects	-	418,262	-	-	-	-	-
Child Support Enforcement	-	-	-	-	73,033	-	-
Committed to:							
Law Enforcement	-	-	-	-	-	-	-
Bridge/Road Maintenance	173,256	-	144,285	-	-	-	-
Aid and Assistance	-	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-	-
Bailiff Services	-	-	-	8,244	-	-	-
Reappraisal Services	-	-	-	-	-	-	-
Employee Wellness	-	-	-	-	-	-	-
Employment Security	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 173,256</u>	<u>\$ 418,262</u>	<u>\$ 144,285</u>	<u>\$ 8,244</u>	<u>\$ 73,033</u>	<u>\$ 18,083</u>	<u>\$ 10,071</u>

(Continued)

**SALINE COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2018

	Veterans' Memorial Fund	Reappraisal Fund	Preservation and Modernization Fund	Employment Security Act Fund	Employee Wellness Fund	Veterans' Aid Fund	Aging Services Fund
<b>RECEIPTS</b>							
Property Taxes	\$ 5,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	1	96,713
Charges for Services	-	-	7,786	-	3,803	-	25,031
Miscellaneous	-	50	-	-	1,190	-	6,396
<b>TOTAL RECEIPTS</b>	<u>5,663</u>	<u>50</u>	<u>7,786</u>	<u>-</u>	<u>4,993</u>	<u>1</u>	<u>128,140</u>
<b>DISBURSEMENTS</b>							
General Government	-	37,326	-	-	19,366	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	1,000	158,501
Culture and Recreation	2,349	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>2,349</u>	<u>37,326</u>	<u>-</u>	<u>-</u>	<u>19,366</u>	<u>1,000</u>	<u>158,501</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>3,314</u>	<u>(37,276)</u>	<u>7,786</u>	<u>-</u>	<u>(14,373)</u>	<u>(999)</u>	<u>(30,361)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	95	37,500	107	-	10,597	-	78,200
Transfers out	-	-	-	-	-	-	(45,292)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>95</u>	<u>37,500</u>	<u>107</u>	<u>-</u>	<u>10,597</u>	<u>-</u>	<u>32,908</u>
Net Change in Fund Balances	3,409	224	7,893	-	(3,776)	(999)	2,547
<b>FUND BALANCES - BEGINNING</b>	<u>9,249</u>	<u>36</u>	<u>23,166</u>	<u>104</u>	<u>10,653</u>	<u>5,329</u>	<u>5,322</u>
<b>FUND BALANCES - ENDING</b>	<u>\$12,658</u>	<u>\$ 260</u>	<u>\$ 31,059</u>	<u>\$ 104</u>	<u>\$ 6,877</u>	<u>\$ 4,330</u>	<u>\$ 7,869</u>
<b>FUND BALANCES:</b>							
Restricted for:							
Visitor Promotion	12,658	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-
Preservation of Records	-	-	31,059	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-	-
Committed to:							
Law Enforcement	-	-	-	-	-	-	-
Bridge/Road Maintenance	-	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	4,330	7,869
County Buildings	-	-	-	-	-	-	-
Bailliff Services	-	-	-	-	-	-	-
Reappraisal Services	-	260	-	-	-	-	-
Employee Wellness	-	-	-	-	6,877	-	-
Employment Security	-	-	-	104	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$12,658</u>	<u>\$ 260</u>	<u>\$ 31,059</u>	<u>\$ 104</u>	<u>\$ 6,877</u>	<u>\$ 4,330</u>	<u>\$ 7,869</u>

(Continued)

**SALINE COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2018

	Juvenile Diversion Fund	Drug Law Enforcement and Education Fund	Drug Court Fund	Federal Drug Law Enforcement Fund	Grant Fund	Homeland Security Grant Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-	-
Intergovernmental	-	-	16,090	-	16,927	-
Charges for Services	920	-	-	-	-	-
Miscellaneous	-	-	4,275	-	-	-
<b>TOTAL RECEIPTS</b>	<u>920</u>	<u>-</u>	<u>20,365</u>	<u>-</u>	<u>16,927</u>	<u>-</u>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	178	-	23,552	-	19,053	-
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>178</u>	<u>-</u>	<u>23,552</u>	<u>-</u>	<u>19,053</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>742</u>	<u>-</u>	<u>(3,187)</u>	<u>-</u>	<u>(2,126)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	5,702	-	17,801	-
Transfers out	-	-	-	-	(16,095)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>5,702</u>	<u>-</u>	<u>1,706</u>	<u>-</u>
Net Change in Fund Balances	742	-	2,515	-	(420)	-
<b>FUND BALANCES - BEGINNING</b>	<u>8,348</u>	<u>-</u>	<u>6,406</u>	<u>-</u>	<u>765</u>	<u>627</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 9,090</u>	<u>\$ -</u>	<u>\$ 8,921</u>	<u>\$ -</u>	<u>\$ 345</u>	<u>\$ 627</u>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	627
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	345	-
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	9,090	-	8,921	-	-	-
Bridge/Road Maintenance	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Bailiff Services	-	-	-	-	-	-
Reappraisal Services	-	-	-	-	-	-
Employee Wellness	-	-	-	-	-	-
Employment Security	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 9,090</u>	<u>\$ -</u>	<u>\$ 8,921</u>	<u>\$ -</u>	<u>\$ 345</u>	<u>\$ 627</u>

(Continued)

**SALINE COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2018

	Emergency Preparedness Grant Fund	Juvenile Services Aid Grant Fund	911 Emergency Management Fund	911 Wireless Service Fund	911 Wireless Holding Fund	Commissary Fund	Crime Prevention Fund
<b>RECEIPTS</b>							
Property Taxes	\$ -	\$ -	\$ 30,915	\$ 62,868	\$ -	\$ -	\$ -
Investment Income	-	-	36	-	-	-	-
Intergovernmental	-	18,900	-	-	-	-	-
Charges for Services	-	-	-	-	-	187,132	12,475
Miscellaneous	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>18,900</b>	<b>30,951</b>	<b>62,868</b>	<b>-</b>	<b>187,132</b>	<b>12,475</b>
<b>DISBURSEMENTS</b>							
General Government	-	-	-	-	-	-	-
Public Safety	11,260	18,297	11,855	19,256	-	164,343	1,301
Public Works	-	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>11,260</b>	<b>18,297</b>	<b>11,855</b>	<b>19,256</b>	<b>-</b>	<b>164,343</b>	<b>1,301</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(11,260)</b>	<b>603</b>	<b>19,096</b>	<b>43,612</b>	<b>-</b>	<b>22,789</b>	<b>11,174</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	1,990	859	1,288	44,660	-	1,500
Transfers out	-	(1,990)	(42)	(44,660)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>817</b>	<b>(43,372)</b>	<b>44,660</b>	<b>-</b>	<b>1,500</b>
Net Change in Fund Balances	(11,260)	603	19,913	240	44,660	22,789	12,674
<b>FUND BALANCES - BEGINNING</b>	<b>33,231</b>	<b>2,992</b>	<b>62,647</b>	<b>48,236</b>	<b>202,719</b>	<b>225,723</b>	<b>121,461</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 21,971</b>	<b>\$ 3,595</b>	<b>\$ 82,560</b>	<b>\$ 48,476</b>	<b>\$ 247,379</b>	<b>\$ 248,512</b>	<b>\$ 134,135</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Visitor Promotion	-	-	-	-	-	-	-
Emergency Services	21,971	-	82,560	48,476	247,379	-	-
Law Enforcement	-	3,595	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Bridge/Road Projects	-	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-	-
Committed to:							
Law Enforcement	-	-	-	-	-	248,512	134,135
Bridge/Road Maintenance	-	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-	-
Bailiff Services	-	-	-	-	-	-	-
Reappraisal Services	-	-	-	-	-	-	-
Employee Wellness	-	-	-	-	-	-	-
Employment Security	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 21,971</b>	<b>\$ 3,595</b>	<b>\$ 82,560</b>	<b>\$ 48,476</b>	<b>\$ 247,379</b>	<b>\$ 248,512</b>	<b>\$ 134,135</b>

(Continued)

**SALINE COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2018

	Jail Bond Fund	Courthouse Building Bond Fund	Highway Bond Fund	Infrastructure Damage & Disaster Fund	County Building Fund	Other Capital Projects Fund	Total Nonmajor Governmental Funds
<b>RECEIPTS</b>							
Property Taxes	\$ 390,825	\$ 230,514	\$ -	\$ -	\$ -	\$ -	\$ 737,774
Investment Income	-	-	-	-	-	-	36
Intergovernmental	37,154	21,919	401,310	-	-	-	994,840
Charges for Services	-	-	-	-	-	-	237,147
Miscellaneous	-	-	-	-	-	-	11,911
<b>TOTAL RECEIPTS</b>	<b>427,979</b>	<b>252,433</b>	<b>401,310</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,981,708</b>
<b>DISBURSEMENTS</b>							
General Government	-	-	-	-	9,689	4,265	70,646
Public Safety	-	-	-	-	-	-	341,027
Public Works	-	-	-	-	-	-	266,758
Public Assistance	-	-	-	-	-	-	159,501
Culture and Recreation	-	-	-	-	-	-	23,874
Debt Service:							
Principal Payments	400,000	-	260,000	-	-	-	660,000
Interest and Fiscal Charges	15,258	237,528	138,307	-	-	-	391,093
Capital Projects	-	-	-	-	-	898,857	898,857
<b>TOTAL DISBURSEMENTS</b>	<b>415,258</b>	<b>237,528</b>	<b>398,307</b>	<b>-</b>	<b>9,689</b>	<b>903,122</b>	<b>2,811,756</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>12,721</b>	<b>14,905</b>	<b>3,003</b>	<b>-</b>	<b>(9,689)</b>	<b>(903,122)</b>	<b>(830,048)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	187,350	-	-	70	-	865,477
Transfers out	-	(212,000)	-	-	(520)	-	(585,666)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(24,650)</b>	<b>-</b>	<b>-</b>	<b>(450)</b>	<b>-</b>	<b>279,811</b>
Net Change in Fund Balances	12,721	(9,745)	3,003	-	(10,139)	(903,122)	(550,237)
<b>FUND BALANCES - BEGINNING</b>	<b>355,301</b>	<b>35,601</b>	<b>229,951</b>	<b>1,100</b>	<b>14,726</b>	<b>903,122</b>	<b>2,896,758</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 368,022</b>	<b>\$ 25,856</b>	<b>\$ 232,954</b>	<b>\$ 1,100</b>	<b>\$ 4,587</b>	<b>\$ -</b>	<b>\$ 2,346,521</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Visitor Promotion	-	-	-	-	-	-	40,812
Emergency Services	-	-	-	-	-	-	401,013
Law Enforcement	-	-	-	-	-	-	3,595
Preservation of Records	-	-	-	-	-	-	31,059
Debt Service	368,022	25,856	232,954	-	-	-	626,832
Bridge/Road Projects	-	-	-	-	-	-	418,607
Child Support Enforcement	-	-	-	-	-	-	73,033
Committed to:							
Law Enforcement	-	-	-	-	-	-	400,658
Bridge/Road Maintenance	-	-	-	1,100	-	-	318,641
Aid and Assistance	-	-	-	-	-	-	12,199
County Buildings	-	-	-	-	4,587	-	4,587
Bailiff Services	-	-	-	-	-	-	8,244
Reappraisal Services	-	-	-	-	-	-	260
Employee Wellness	-	-	-	-	-	-	6,877
Employment Security	-	-	-	-	-	-	104
<b>TOTAL FUND BALANCES</b>	<b>\$ 368,022</b>	<b>\$ 25,856</b>	<b>\$ 232,954</b>	<b>\$ 1,100</b>	<b>\$ 4,587</b>	<b>\$ -</b>	<b>\$ 2,346,521</b>

(Concluded)

**SALINE COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2018

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	Veterans' Service Officer	County Planning and Zoning	County Aging Services	Extension	County Wellness Program	Total
BALANCES JULY 1, 2017	\$ 10,789	\$ 78,280	\$ 26,947	\$ 2,546	\$ -	\$ 2,167	\$ -	\$ 100	\$ 6,953	\$ -	\$ 127,782
<b>RECEIPTS</b>											
Property Taxes	-	-	-	-	-	-	-	-	-	-	-
Licenses and Permits	2,050	-	940	-	6,050	-	1,225	-	-	-	10,265
Intergovernmental	-	-	22,920	-	410,000	-	-	15,882	-	-	448,802
Charges for Services	82,785	31,488	294,744	400	47,448	-	-	6,887	920	-	464,672
Miscellaneous	-	-	1,338	3,985	-	1,000	-	26,163	17,119	4,993	54,598
State Fees	89,041	26,713	-	-	-	-	-	63,806	-	-	179,560
Other Liabilities	-	219,280	325,240	13,379	-	-	-	-	-	-	557,899
<b>TOTAL RECEIPTS</b>	<b>173,876</b>	<b>277,481</b>	<b>645,182</b>	<b>17,764</b>	<b>463,498</b>	<b>1,000</b>	<b>1,225</b>	<b>112,738</b>	<b>18,039</b>	<b>4,993</b>	<b>1,715,796</b>
<b>DISBURSEMENTS</b>											
Payments to County Treasurer	83,700	28,267	325,895	400	463,498	-	1,225	110,561	920	4,993	1,019,459
Payments to State Treasurer	87,452	24,381	-	-	-	-	-	-	-	-	111,833
Other Liabilities	-	222,745	315,576	17,364	-	150	-	-	17,255	-	573,090
<b>TOTAL DISBURSEMENTS</b>	<b>171,152</b>	<b>275,393</b>	<b>641,471</b>	<b>17,764</b>	<b>463,498</b>	<b>150</b>	<b>1,225</b>	<b>110,561</b>	<b>18,175</b>	<b>4,993</b>	<b>1,704,382</b>
BALANCES JUNE 30, 2018	\$ 13,513	\$ 80,368	\$ 30,658	\$ 2,546	\$ -	\$ 3,017	\$ -	\$ 2,277	\$ 6,817	\$ -	\$ 139,196
<b>BALANCES CONSIST OF:</b>											
Due to County Treasurer	\$ 7,256	\$ 3,221	\$ 16,232	\$ 46	\$ -	\$ 3,017	\$ -	\$ 2,177	\$ -	\$ -	\$ 31,949
Petty Cash	-	-	-	2,500	-	-	-	100	-	-	2,600
Due to State Treasurer	6,257	2,332	-	-	-	-	-	-	-	-	8,589
Due to Others	-	74,815	14,426	-	-	-	-	-	6,817	-	96,058
BALANCES JUNE 30, 2018	\$ 13,513	\$ 80,368	\$ 30,658	\$ 2,546	\$ -	\$ 3,017	\$ -	\$ 2,277	\$ 6,817	\$ -	\$ 139,196

**SALINE COUNTY**  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED**  
**FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
June 30, 2018

Item	2013	2014	2015	2016	2017
<b>Tax Certified by Assessor</b>					
Real Estate	\$ 24,947,944	\$ 26,783,081	\$ 28,137,383	\$ 28,236,723	\$ 28,932,444
Personal and Specials	2,969,539	2,684,143	2,894,038	2,661,781	2,726,945
<b>Total</b>	<b>27,917,483</b>	<b>29,467,224</b>	<b>31,031,421</b>	<b>30,898,504</b>	<b>31,659,389</b>
<b>Corrections</b>					
Additions	5,238	5,038	7,874	4,524	1,058
Deductions	(2,299)	(1,570)	(11,691)	(6,905)	(2,529)
Net Additions/ (Deductions)	2,939	3,468	(3,817)	(2,381)	(1,471)
<b>Corrected Certified Tax</b>	<b>27,920,422</b>	<b>29,470,692</b>	<b>31,027,604</b>	<b>30,896,123</b>	<b>31,657,918</b>
<b>Net Tax Collected by County Treasurer during Fiscal Year Ending:</b>					
June 30, 2014	16,547,438	-	-	-	-
June 30, 2015	11,359,502	17,755,424	-	-	-
June 30, 2016	7,172	11,698,484	18,820,985	-	-
June 30, 2017	4,108	11,023	12,190,228	18,646,627	-
June 30, 2018	243	3,442	14,037	12,238,293	19,315,351
<b>Total Net Collections</b>	<b>27,918,463</b>	<b>29,468,373</b>	<b>31,025,250</b>	<b>30,884,920</b>	<b>19,315,351</b>
<b>Total Uncollected Tax</b>	<b>\$ 1,959</b>	<b>\$ 2,319</b>	<b>\$ 2,354</b>	<b>\$ 11,203</b>	<b>\$ 12,342,567</b>
<b>Percentage Uncollected Tax</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.04%</b>	<b>38.99%</b>

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



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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

Board of Commissioners  
Saline County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saline County, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Saline County's basic financial statements, and have issued our report thereon dated March 5, 2019. The report notes the financial statements were prepared on the basis of cash receipts and disbursements.

### **Internal Control Over Financial Reporting**

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

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

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

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

### **Compliance and Other Matters**

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

### **Additional Items**

We also noted certain matters that we reported to the management of Saline County in a separate letter dated March 5, 2019.

### **Saline County's Response to Findings**

Saline County declined to respond to the finding described above.

### **Purpose of this Report**

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



Deann Haeffner, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

March 5, 2019



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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March 5, 2019

Board of Commissioners  
Saline County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Saline County (County) for the fiscal year ended June 30, 2018, and have issued our report thereon dated March 5, 2019. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

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

### COUNTY OVERALL

#### Segregation of Duties

We noted the offices of the County each lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost. This was also noted in prior audits.

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

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

## **Board Approval of Fees**

During our audit, we noted multiple offices that charged fees for services that were not approved by the County Board, as described below.

- Plat map and copy fees charged by the County Clerk.
- Conditional Use permit fees charged by the County Planning and Zoning office.
- Juvenile Diversion fees charged by the County Extension office.

Neb. Rev. Stat. § 23-106(1) (Reissue 2012) assigns to the County Board the responsibility of managing the County's funds and business activities. In addition, good internal control and sound accounting practices require fees to be set by the County Board and documented in the meeting minutes.

When fees charged by County offices are not approved by the County Board and adequately supported, there is an increased risk for the loss or misuse of County funds.

We recommend the County Board approve – as well as document such approval – all fees charged by the County and its offices.

## **COUNTY BOARD**

### **Disbursements and Transfers Out in Excess of Budget**

For the fiscal year ended June 30, 2018, the disbursements in the General Fund Miscellaneous function, Road Fund, Aging Services Fund, and Courthouse Building Bond Fund exceeded the adopted budget. The following table summarizes the excess disbursements.

<b>Function/Fund</b>	<b>Actual Disbursements</b>	<b>Transfers Out</b>	<b>Total</b>	<b>Adopted Budget</b>	<b>Budget Exceeded</b>
General Fund Miscellaneous Function	\$ 2,509,261	\$ 3,676,065	\$ 6,185,326	\$ 6,117,728	\$ (67,598)
Road Fund	\$ 5,009,617	\$ 3,347,708	\$ 8,357,325	\$ 5,627,700	\$ (2,729,625)
Aging Services Fund	\$ 158,501	\$ 45,292	\$ 203,793	\$ 180,987	\$ (22,806)
Courthouse Building Bond Fund	\$ 237,528	\$ 212,000	\$ 449,528	\$ 390,261	\$ (59,267)

The County made a significant amount of transfers during the fiscal year that were not included in the budgeted amounts, contributing to the exceeding of the budget.

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

*After the adoption of the county budget, no officer, department or other expending agency shall expend or contract to be expended any money, or incur any liability, or enter into any contract which, by its terms, involves the expenditure of money not provided for in the budget, or which involves the expenditure of any money for any of the purposes for which provision is made in the budget in excess of the amounts provided in said budget for such office, department or other expending agency, or purpose, for such fiscal year.*

When expenditures are made in excess of amounts budgeted, with no appropriation adjustments by the County Board to address those excesses, the County is noncompliant with State statute.

We recommend the County Board implement procedures to monitor closely its budget status on an ongoing basis to avoid individual functions and funds incurring expenses in excess of the amount budgeted.

**Lodging Tax Receipts**

During the audit, we noted that \$5,663, or 25% of lodging taxes received under the Nebraska Visitors Development Act (Act), which is set out at Neb. Rev. Stat. §§ 81-3701 through 81-3729 (Reissue 2014, Cum. Supp. 2018), was receipted into the Veterans’ Memorial Fund; however, State statute requires such lodging taxes to be receipted into the County Visitor Promotion Fund or the County Visitors Improvement Fund.

Neb. Rev. Stat. § 81-3716 (Reissue 2014) of the Act provides, in relevant part, the following:

*(1) The governing body of any county may after a public hearing adopt a resolution to impose an additional sales tax of not to exceed two percent upon the total consideration charged for occupancy of any space furnished by any hotel if such county has created a County Visitors Promotion Fund and a visitors committee pursuant to section 81-3717. The proceeds from such tax shall be paid to the County Visitors Promotion Fund.*

*(2) The governing body of any county may after a public hearing adopt a resolution to impose an additional sales tax of not to exceed two percent upon the total consideration charged for occupancy of any space furnished by any hotel if such county has created a County Visitors Improvement Fund and a visitors committee pursuant to section 81-3717. The proceeds from such tax shall be paid to the County Visitors Improvement Fund.*

(Emphasis added.) Failure to deposit lodging taxes received under the Act to the appropriate funds constitutes a violation of State statute.

We recommend the County Board implement procedures to ensure lodging taxes received under the Act are receipted into the statutorily designated funds.

**Claims Procedures**

During testing of claims approved and paid by the County Board, the following was noted:

- The County approved budget aid payment to various entities and groups; however, for two of three payments tested, totaling \$11,749, we noted that the County lacked adequate monitoring to ensure the funds were spent on allowable costs, as no documentation was obtained from the payees after the payment was made.

Claim #	Claim Date	Payee	Amount
17100032	10/13/17	Hope Crisis Center	\$ 7,349
17100211	10/27/17	New Beginnings (CISDA)	\$ 4,400
<b>Total</b>			<b>\$ 11,749</b>

- Six claims, totaling \$1,232, were duplicate payments. For five of those claims, totaling \$1,087, the duplicate was not discovered by the County; instead, the vendor discovered the duplicate and recorded a credit on the County’s account. For the other claim, totaling \$145, the County was unaware of the duplicate until it was pointed out by the Auditor of Public Accounts, and a credit had not been received at the time of testing. The following table provides details of these duplicate claims.

Payee	Amount	Original Claim		Duplicate Claim	
		Claim #	Date	Claim #	Date
Keefe Supply Company	\$ 368	17070065	7/7/17	17070225	7/21/17
Crawford Supply Company	\$ 191	17070063	7/7/17	17070223	7/21/17
Blue 360 Media LLC	\$ 132	18010183*	1/19/18	18030004*	3/2/18
Blue 360 Media LLC	\$ 132	18010183*	1/19/18	18030004*	3/2/18
Heath Sports and Tees	\$ 145	18040184	4/27/18	18060359	6/22/18
Eakes Office Plus	\$ 264	18060024	6/8/18	18060345	6/22/18
	<b>\$ 1,232</b>				

*\*These claims included two invoices that were paid twice; as a result, both lines are included in the table above.*

- Claim 18060488 approved on June 22, 2018, totaling \$500, for gift cards for the Adult Drug Court did not include adequate supporting documentation or have adequate procedures to track gift cards purchased and distributed.

A good internal control plan requires procedures to ensure the following: 1) budget aid requests are subsequently monitored to ensure funds are appropriately spent; 2) invoices are paid only once, and any duplicate payments are resolved in a timely manner; and 3) claims for gift cards are adequately supported and tracked.

Without such procedures, there is an increased risk for the loss and/or misuse of County funds.

We recommend the County Board implement procedures to ensure the following: 1) budget aid requests are subsequently monitored to ensure funds are appropriately spent; 2) invoices are paid only once, and any duplicate payments are resolved in a timely manner; and 3) claims for gift cards are adequately supported and tracked.

### **Inventory Policy and Statement Filings**

During review of the County inventory procedures, the following was noted:

- There was no formal policy outlining the procedures for inventorying the County's personal and real property.
- Inventory statements for 2018 were not on file with the County Clerk's office for the following offices: Planning and Zoning, Weed Department, and Emergency Manager.
- An updated real estate inventory statement was not on file.

Neb. Rev. Stat. § 23-347 (Reissue 2012) provides the following:

*Within two calendar months after the close of each fiscal year, each county officer shall make, acknowledge under oath, and file with the county board of his or her county an inventory statement of all county personal property in the custody and possession of said county officer. The county board in each county shall examine into each inventory statement so filed, and, if said statement is correct and proper in every particular, the county board shall deliver each of said inventory statements to the clerk of the county for filing as a public record in said county clerk's office in a manner convenient for reference.*

Neb. Rev. Stat. § 23-348.01 (Reissue 2012) states, in relevant part, the following:

*Within two calendar months after the close of each fiscal year, each county board shall make, or cause to be made, acknowledged under oath, and filed with the county clerk of such county, an inventory statement of all real estate and real property in which such county has any interest of any kind.*

Good internal control and sound accounting practices require the County Board to implement and adhere to a formal inventory policy that ensures compliance with the above statutory directives.

Without such a policy, there is an increased risk for not only the loss, theft, or misuse of County-owned assets but also statutory noncompliance.

We recommend the County Board implement an inventory policy that ensures the complete and accurate filing of all inventory statements required by law.

### **COUNTY CLERK**

#### **Clerk Expenditures Report**

During the audit, it was noted the County Clerk's claim expenditure report did not agree to the County Treasurer's expenditures during the fiscal year for the following funds:

General Fund	\$	(589)*
Road Fund	\$	132,577
Highway Buyback Fund	\$	(132,679)*
Grant Fund	\$	295
911 Emergency Management Fund	\$	(42)*
911 Wireless Service Fund	\$	523

*\*Negative figure indicates County Clerk's amount was greater than the county Treasurer amount.*

In addition, transfers out totaling \$10,089,485 were not appropriately shown on the expenditures report or as part of the expenditures in the budget document. Rather, transfers out were shown as a negative revenue in the budget document, which does not allow for an easy expenditure-to-budget comparison.

A good internal control plan requires procedures to ensure the County Clerk's accounting records reflect accurately the expenditures and transfers of the County. A good internal control plan also requires the records to be compared to the County Treasurer's accounting records, and any discrepancies to be resolved in a timely manner.

When such procedures do not exist, there is an increased risk of the County exceeding the approved budget for funds that do not reflect the correct expenditures or transfers. Also, there is an increased risk for the loss and/or misuse of funds.

We recommend the County Clerk implement procedures to ensure the accounting records reflect accurately the expenditures and transfers of the County and reconcile to the County Treasurer's accounting records, with any discrepancies resolved in a timely manner.

**COUNTY TREASURER**

**Unreasonable Cash Items**

During the audit, the APA noted the County Treasurer was carrying three non-sufficient fund checks, totaling \$441, on the daily balance sheet for an extended period of time without adequate follow-up. As of January 2019, these non-sufficient fund checks were still being carried on the daily balance sheet. These checks were sent to the County Attorney for collection; however, there was no follow-up to determine if they were uncollectible. The attached table provides the details of these non-sufficient fund checks.

Check Date	Amount
9/8/08	\$ 37
10/24/08	\$ 386
6/13/13	\$ 18
<b>Total</b>	<b>\$ 441</b>

Good internal controls require procedures to ensure cash items, including non-sufficient fund checks, are followed up on and resolved in a timely manner. Without such procedures, there is an increased risk the accounting records will not accurately reflect the true financial position of the County.

We recommend the County Treasurer implement procedures to ensure cash items are followed up on and resolved in a timely manner.

*County Treasurer's Response: As the report notes, these non-sufficient checks had been turned over to the Saline County Attorney for collection. There obviously was a communication breakdown between my county attorney and myself, as my office was never notified that the County Attorney had dismissed the cases on these three checks and I did not check the status of these cases with him either. Once the status was noted, a claim was made, my County Board approved said claim and a check from the County General Fund was in my hands on February 14, 2019, to satisfy the insufficient fund checks and clear them off our daily balance sheet.*

**COUNTY SHERIFF**

**Accounting Procedures**

During our audit, we noted the following issues with the County Sheriff's accounting procedures at June 30, 2018:

- Accurate monthly bank reconciliations were not performed for two of the County Sheriff's bank accounts, resulting in the following variances between the book and bank balances at June 30, 2018:

	Bank Balance	Book Balance	Variance
Account 1	\$ 4,240	\$ 4,404	\$ 164
Account 2	\$ 26	\$ 155	\$ 129

- A monthly asset-to-liability reconciliation was not performed. One account had a cash long of \$27 at June 30, 2018. Another account had a shortage of \$4,560 in January 2018 after a transfer was made to a new checking account. Other funding sources were used to bring the account to a positive balance.
- The County Sheriff maintains a cash fund for investigative purposes. The fund has not been authorized at a set amount and had grown to over \$14,000 as of June 30, 2018.
- The County Sheriff was holding 33 checks, totaling \$1,415, which were not restrictively endorsed when the APA performed a surprise cash count. In addition, the County Sheriff was holding two checks, totaling \$100, dated from August 2018.

Regarding the unauthorized cash fund, Neb. Rev. Stat. § 23-106(2) (Reissue 2012) states the following:

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

Additionally, sound accounting practices and good internal controls require procedures to ensure the utilization of adequate reconciliation and balancing methods. Such procedures should also include the timely identification and resolution of all variances noted, the maintenance of proper documentation to support correct balances, and the restrictive endorsement of checks immediately upon receipt.

A lack of such procedures increases the risk of loss, theft, or misuse of County funds and allows errors to go undetected more easily.

We recommend the County Sheriff implement monthly fund balancing procedures to ensure the performance of regular bank and asset-to-liability reconciliations. We also recommend the County Sheriff establish the investigative cash fund as a petty cash fund with an authorized limit. Lastly, we recommend the County Sheriff implement procedures to ensure checks are restrictively endorsed immediately when received.

### **Property Presumed Abandoned**

The County Sheriff maintained 35 checks from 2015, totaling \$221, which were still held at the time of audit fieldwork and were due to be remitted to the State Treasurer in November 2018.

Neb. Rev. Stat. § 69-1307.01 (Reissue 2018) states the following:

*Except as otherwise provided by law, all intangible personal property held for the owner by any court, public corporation, public authority, or public officer of this state, or a political subdivision thereof, that has remained unclaimed by the owner for more than three years is presumed abandoned.*

Neb. Rev. Stat. § 69-1310 (Reissue 2018) provides, in relevant part, the following:

*(a) Every person holding funds or other property, tangible or intangible, presumed abandoned under the Uniform Disposition of Unclaimed Property Act shall report to the State Treasurer with respect to the property as hereinafter provided.*

\* \* \* \*

*(d) The report shall be filed before November 1 of each year as of June 30 next proceeding . . . . The property must accompany the report unless excused by the State Treasurer for good cause. The State Treasurer may postpone the reporting date upon written request by any person required to file a report.*

Without procedures, including the proper performance and review of bank reconciliations, to ensure that outstanding checks qualifying as unclaimed property are remitted timely to the State Treasurer, there is an increased risk of noncompliance with State statute.

We recommend the County Sheriff implement procedures to ensure that outstanding checks qualifying as unclaimed property are remitted to the State Treasurer in accordance with State statute.

### **Distress Warrant**

The County Sheriff did not file a distress warrant report with the County Board by August 1, 2017. The report was filed instead on August 15, 2017, or 14 days late. The 2018 report was not filed until August 8, 2018.

Neb. Rev. Stat. § 77-1719.01 (Reissue 2018) requires the following:

*On or before August 1 of each year, the sheriff shall report to the county board showing the total amount collected on current distress warrants and the amount remaining uncollected.*

Failure to provide the County Board with the statutorily required distress warrant report verification in a timely fashion not only constitutes noncompliance with the law but also increases the risk of loss, theft, or misuse of funds.

We recommend the County Sheriff implement procedures to ensure that all statutorily required disclosures, such as the distress warrant report, are completed and submitted timely.

## **COUNTY CLERK OF THE DISTRICT COURT**

### **Case Balances**

The County Clerk of the District Court did not adequately review the case balance reports to ensure the case balances reflected therein were proper, and appropriate action was taken timely. For two of six case balances tested, totaling \$23,353, balances were not correct and current, as follows:

- One case with a balance of \$21,857 was due to a payment on a foreclosure of a tax sale certificate received in November 2017 and satisfied in February 2018; however, the balance had not been paid out to the appropriate party at the time of fieldwork. Per the County Clerk of the District Court's notes in the court system, the most recent follow-up with the County Attorney was made on November 8, 2018, to obtain an order to direct the payment of funds; however, no action was taken by the County Attorney as of mid-January 2019.
- One case with a balance of \$1,496 was due to a surplus sale of proceeds from a foreclosure received in January 2017; however, it has not been adequately followed up on in a timely manner, as there has been no correspondence with the individual since January 2017.

Good internal control and sound business practices require procedures to ensure that trust case balances of the District Court are reviewed on an ongoing, timely basis to determine what action, if any, should be taken to resolve them.

Without such procedures, there is an increased risk of trust case balances either not having proper follow-up action taken or having been previously resolved and no longer needing to be reflected as balances in the accounting system.

We recommend the County Clerk of the District Court implement procedures to ensure that trust case balances are reviewed on an ongoing, timely basis to determine what action, if any, should be taken to resolve them.

*County Clerk of the District Court’s Response: In the case where this office holds a balance of \$1496.00 from surplus in a tax foreclosure, the action to have the money released requires proper filings by the defendant. Additionally, the defendant has not had a valid address on file since 12/19/16 as noted on the record. In the event the funds remain unclaimed, we will follow state statute on unclaimed property.*

*As indicated on the case with a balance of \$21857.00. The Clerk will not release funds without a proper order from the court ordering the Clerk to disburse funds.*

**Review of Overdue Case Balance Report**

We noted the County Clerk of the District Court was not reviewing the Overdue Case Balance Report to ensure the balances were proper, and appropriate action was taken timely during fiscal year 2018. Per the County Clerk of the District Court, no follow-up was completed until the end of October 2018, after becoming aware that the APA would review such report.

As of January 4, 2019, the report contained 323 overdue cases, with a total owed of \$138,623. Of these 323 cases, only 10 cases, totaling \$4,636, were flagged for a current warrant/suspension or bankruptcy. The table below summarizes the number of overdue cases and amounts by year.

<b>Year Case Filed</b>	<b>Number of Cases</b>	<b>Amount Overdue</b>
1994	28	\$ 2,999
1995	49	19,779
1996	10	273
1997	20	2,604
1998	22	3,448
1999	14	646
2000	8	48,381
2001	5	1,013
2002	10	13,056
2003	7	12,759
2004	14	4,316
2005	7	671
2006	3	33
2007	4	1,539
2008	1	22
2009	14	2,563

Year Case Filed	Number of Cases	Amount Overdue
2010	14	717
2011	5	11
2012	21	2,372
2013	9	23
2014	6	397
2015	7	513
2016	12	6,245
2017	18	8,875
2018	14	5,285
2019	1	83
<b>Totals</b>	<b>323</b>	<b>\$ 138,623</b>

Good internal control and sound business practices require procedures to ensure that overdue balances of the District Court are reviewed on an ongoing, timely basis to determine what action should be taken to collect and/or resolve those balances. Without such procedures, there is an increased risk for the loss of funds.

We recommend the District Court implement procedures to ensure the Overdue Case Balance Report is reviewed on an ongoing basis, and appropriate follow-up action is taken. Potential courses of action for follow up would include issuance of warrants, a judge's determination and order to waive certain costs, if allowable, or a declaration of certain balances as uncollectible.

*County Clerk of the District Court's Response: The Clerk of the District Court will continue to review the overdue case balance report. At a minimum of one time per year, the Clerk will send notice to individuals appearing on the report, provided they have a current address.*

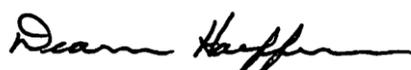
\* \* \* \* \*

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

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

This report is intended solely for the information and use of the County, the appropriate Federal and regulatory agencies, and citizens of the State of Nebraska, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,



Deann Haeffner, CPA  
Assistant Deputy Auditor