

**AUDIT REPORT
OF THE
NEBRASKA PUBLIC EMPLOYEES RETIREMENT
SYSTEMS – COUNTY EMPLOYEES RETIREMENT PLAN –
CASH BALANCE BENEFIT**

**EMPLOYER GASB STATEMENT NO. 68 SCHEDULES
SCHEDULE OF EMPLOYER ALLOCATIONS, AND
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER**

FOR THE YEAR ENDED DECEMBER 31, 2019

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Issued on July 30, 2020

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT
SCHEDULE OF EMPLOYER ALLOCATIONS, AND
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

TABLE OF CONTENTS

	<u>Page</u>
Background Information Section	
Key Officials and Agency Contact Information	1
Financial Section	
Independent Auditor’s Report	2 - 3
County Employees Retirement Plan – Cash Balance Benefit Schedules:	
Schedule of Employer Allocations	4 - 6
Schedule of Pension Amounts by Employer	7 - 8
Notes to the Schedule of Employer Allocations, and the Schedule of Pension Amounts by Employer	9 - 11
Government Auditing Standards Section	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with <i>Government Auditing Standards</i>	12 - 13

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT
SCHEDULE OF EMPLOYER ALLOCATION, AND
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER

KEY OFFICIALS AND AGENCY CONTACT INFORMATION

Public Employees Retirement Board Members

Janis Elliot
Chairperson – School Member
Term Ending January 1, 2024

Open
Public Member

Kelli Ackerman
Vice-Chair – School Member
Term Ending January 1, 2025

Allen Simpson
State Member
Term Ending January 1, 2025

J. Russell Derr
Judge Member
Term Ending January 1, 2021

Jim Schulz
Public Member
Term Ending January 1, 2022

Pamela Lancaster
County Member
Term Ending January 1, 2021

Mike Jahnke
State Patrol Member
Term Ending January 1, 2023

Michael W. Walden-Newman
Ex-Officio (State Investment Officer)

Nebraska Public Employees Retirement Systems Executive Management

Randy Gerke
Director

Orron Hill
Deputy Director

Teresa Zulauf
Controller

Nebraska Public Employees Retirement Systems
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P.O. Box 94816
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NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT EMPLOYER GASB STATEMENT NO. 68 SCHEDULES

INDEPENDENT AUDITOR'S REPORT

Nebraska Public Employees Retirement Board
Lincoln, Nebraska

Report on the Schedules

We have audited the accompanying Schedule of Employer Allocations of the Nebraska Public Employees Retirement Systems (NPERS) – County Employees Retirement Plan – Cash Balance Benefit, as of and for the year ended December 31, 2019, and the related notes. We have also audited the total for all entities of the columns titled Net Pension Liability/(Asset), Total Deferred Outflows of Resources, Total Deferred Inflows of Resources, and Total Employer Pension Expense (specified column totals) included in the accompanying Schedule of Pension Amounts by Employer of the NPERS – County Employees Retirement Plan – Cash Balance Benefit as of and for the year ended December 31, 2019, and related notes.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these Schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on the Schedule of Employer Allocations and the specified column totals included in the Schedule of Pension Amounts by Employer 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 Schedule of Employer Allocations and the specified column totals included in the Schedule of Pension Amounts by Employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule of Employer Allocations and the specified column totals included in the Schedule of Pension Amounts by Employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule of Employer Allocations and the specified column totals included in the Schedule of Pension Amounts by Employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule of Employer Allocations and the specified column totals included in the Schedule of Pension Amounts by Employer 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 NPERS – County Employees Retirement Plan – Cash Balance Benefit’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 Schedule of Employer Allocations and the specified column totals included in the Schedule of Pension Amounts by Employer.

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

Opinions

In our opinion, the Schedules referred to previously present fairly, in all material respects, employer contributions, the employer allocations and Net Pension Liability/(Asset), Total Deferred Outflows of Resources, Total Deferred Inflows of Resources, and Total Employer Pension Expense for all NPERS participating entities for the County Employees Retirement Plan – Cash Balance Benefit as of and for the year ended December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

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 NPERS – State and County Employees Retirement Plans as of and for the year ended December 31, 2019, and our report thereon, dated July 27, 2020, expressed an unmodified opinion on those financial statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2020, on our consideration of NPERS – County Employees Retirement Plan – Cash Balance Benefit’s internal control over the preparation of these Schedules 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 solely to describe the scope of our testing of internal control over the preparation of these Schedules and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NPERS’ 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 NPERS’ internal control over financial reporting and compliance.

Restriction on Use

Our report is intended solely for the information and use of NPERS management, members of the Retirement Board, NPERS – County Employees Retirement Plan – Cash Balance Benefit employers and their auditors, and it is not intended to be, and should not be, used by anyone other than these specific parties.



Kris Kucera, CPA, CFE
Audit Manager
Lincoln, Nebraska

July 27, 2020

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN - CASH BALANCE BENEFIT
SCHEDULE OF EMPLOYER ALLOCATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

Employer	Year Ended December 31, 2019	
	Actual Employer Contributions	Employer Allocated Proportion
Total	\$ 19,124,880	
2032 - Gosper County	65,090	0.340343%
2034 - Hall County	945,279	4.942666%
2036 - Scotts Bluff County	662,736	3.465306%
2040 - Cheyenne County	237,785	1.243328%
2042 - Banner County	34,536	0.180580%
2044 - Dodge County	314,476	1.644329%
2046 - Jefferson County	236,823	1.238298%
2048 - Platte County	457,728	2.393362%
2050 - Dawson County	432,944	2.263776%
2052 - Seward County	359,281	1.878604%
2054 - Morrill County	155,270	0.811874%
2056 - Buffalo County	641,647	3.355036%
2058 - Saunders County	394,747	2.064050%
2060 - Washington County	402,007	2.102009%
2062 - Kimball County	110,793	0.579315%
2089 - Saline County	262,002	1.369955%
2090 - Adams County	366,294	1.915274%
2091 - Box Butte County	146,677	0.766944%
2119 - Madison County	368,622	1.927447%
2121 - York County	308,698	1.614117%
2123 - Custer County	249,903	1.306690%
2125 - Sarpy County	2,522,230	13.188218%
2126 - Cuming County	122,461	0.640323%
2152 - Harlan County	92,135	0.481753%
2164 - Gage County	257,819	1.348083%
2165 - Richardson County	180,357	0.943047%
2167 - Hitchcock County	71,728	0.375051%
2168 - Red Willow County	156,208	0.816777%
2232 - Polk County	125,901	0.658311%
2234 - Lincoln County	485,642	2.539318%
2240 - Cedar County	187,321	0.979461%
2242 - Holt County	214,337	1.120722%
2243 - Frontier County	70,074	0.366402%
2244 - Webster County	105,911	0.553788%
2245 - Kearney County	119,734	0.626063%
2246 - Nemaha County	160,092	0.837086%
2247 - Franklin County	110,916	0.579957%
2248 - Dundy County	69,571	0.363775%
2249 - Phelps County	193,507	1.011810%
2775 - Antelope County	161,265	0.843222%
2776 - Arthur County	15,158	0.079258%
2777 - Blaine County	23,011	0.120322%
2778 - Boone County	131,371	0.686914%

See the notes to the schedules.

(Continued)

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN - CASH BALANCE BENEFIT
SCHEDULE OF EMPLOYER ALLOCATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

Employer	Year Ended December 31, 2019	
	Actual Employer Contributions	Employer Allocated Proportion
2779 - Boyd County	39,957	0.208929%
2780 - Brown County	97,875	0.511767%
2781 - Burt County	128,081	0.669708%
2782 - Butler County	227,535	1.189734%
2783 - Cass County	550,120	2.876465%
2784 - Chase County	113,745	0.594749%
2785 - Cherry County	143,661	0.751171%
2786 - Clay County	162,856	0.851537%
2787 - Colfax County	166,156	0.868797%
2788 - Dakota County	295,561	1.545427%
2789 - Dawes County	153,938	0.804907%
2790 - Deuel County	66,563	0.348043%
2791 - Dixon County	112,955	0.590617%
2792 - Fillmore County	165,215	0.863874%
2793 - Furnas County	101,103	0.528649%
2794 - Garden County	92,762	0.485034%
2795 - Garfield County	41,143	0.215130%
2796 - Grant County	20,937	0.109477%
2797 - Greeley County	53,711	0.280846%
2798 - Hamilton County	185,859	0.971817%
2799 - Hayes County	39,156	0.204738%
2800 - Hooker County	22,975	0.120129%
2801 - Howard County	125,730	0.657413%
2802 - Johnson County	100,782	0.526969%
2803 - Keith County	178,231	0.931932%
2804 - Keya Paha County	28,341	0.148191%
2805 - Knox County	153,829	0.804338%
2806 - Logan County	31,477	0.164589%
2807 - Loup County	25,206	0.131795%
2808 - McPherson County	23,102	0.120796%
2809 - Merrick County	147,311	0.770257%
2810 - Nance County	113,149	0.591633%
2811 - Nuckolls County	92,623	0.484305%
2812 - Otoe County	276,388	1.445177%
2813 - Pawnee County	64,430	0.336892%
2814 - Perkins County	119,449	0.624575%
2815 - Pierce County	111,491	0.582965%
2816 - Rock County	67,581	0.353367%
2817 - Sheridan County	143,626	0.750993%
2818 - Sherman County	100,334	0.524626%
2819 - Sioux County	51,565	0.269624%
2820 - Stanton County	93,596	0.489394%
2821 - Thayer County	134,706	0.704350%
2822 - Thomas County	27,616	0.144398%
2823 - Thurston County	149,049	0.779348%
2824 - Valley County	98,088	0.512880%

See the notes to the schedules.

(Continued)

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN - CASH BALANCE BENEFIT
SCHEDULE OF EMPLOYER ALLOCATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

Employer	Year Ended December 31, 2019	
	Actual Employer Contributions	Employer Allocated Proportion
2825 - Wayne County	121,615	0.635902%
2826 - Wheeler County	37,024	0.193593%
2833 - Four Corners Health Department	20,385	0.106591%
2834 - Loup Basin Public Health Department	25,938	0.135626%
2835 - Panhandle Public Health Department	55,877	0.292171%
2836 - South Heartland District Health Department	28,332	0.148139%
2837 - Two Rivers Public Health Department	30,967	0.161920%
2838 - Three Rivers Public Health Department	44,361	0.231956%
2839 - Elkhorn Logan Valley Public Health Department	41,076	0.214779%
2840 - Northeast Nebraska Public Health Department	19,794	0.103498%
2841 - Southwest Nebraska Public Health Department	18,495	0.096704%
2842 - West Central District Health Department	27,804	0.145382%
2843 - Sandhills District Health Department (dissolved) 7/1/2014	-	0.000000%
2844 - Southeast District Health Department	25,581	0.133757%
2845 - Public Health Solutions	42,791	0.223745%
2846 - Sarpy/Cass Department of Health and Wellness	36,430	0.190482%
2847 - Stuhr Museum	37,233	0.194686%
2848 - Western Nebraska Regional Airport	29,139	0.152363%
2849 - Saunders Medical Center	-	0.000000%
2850 - Nemaha County Hospital	312,384	1.633390%

(Concluded)

**NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN - CASH BALANCE BENEFIT
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
FOR THE YEAR ENDED DECEMBER 31, 2019**

Employer	Deferred Outflows of Resources						Deferred Inflows of Resources					Pension Expense			
	12/31/19 Net Pension Liability/(Asset) (NPL)	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on			Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments			Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Recognition of Deferred Amounts from Changes in Proportionate Share		Total Employer Pension Expense
			Pension Plan Investments	Changes of Assumptions	Changes in Proportion			Projected and Actual Plan Investments	Changes in Proportion	Proportionate Share			from Changes in Proportionate Share		
Total	\$ (39,251,848)	\$ 294,604	\$ 35,093,829	\$ 4,601,148	\$ 1,109,573	\$ 41,099,154	\$ 13,024,554	\$ 59,917,221	\$ 1,109,573	\$ 74,051,348	\$ 10,088,736	\$ -	\$ -	\$ 10,088,736	
2032 - Gosper County	(133,591)	1,003	119,439	15,660	5,700	141,802	44,328	203,924	7,107	255,359	34,336	(178)		34,158	
2034 - Hall County	(1,940,088)	14,561	1,734,571	227,419	2,164	1,978,715	643,760	2,961,508	102,836	3,708,104	498,653	(29,377)		469,276	
2036 - Scotts Bluff County	(1,360,197)	10,209	1,216,109	159,444	28,128	1,413,890	451,341	2,076,315	48,578	2,576,234	349,606	(3,458)		346,148	
2040 - Cheyenne County	(488,029)	3,663	436,331	57,207	3,767	500,968	161,938	744,968	15,654	922,560	125,436	(3,660)		121,776	
2042 - Banner County	(70,881)	532	63,372	8,309	3,041	75,254	23,520	108,199	-	131,719	18,218	1,029		19,247	
2044 - Dodge County	(645,430)	4,844	577,058	75,658	13,200	670,760	214,167	985,236	30,753	1,230,156	165,892	(4,134)		161,758	
2046 - Jefferson County	(486,055)	3,648	434,566	56,976	6,471	501,661	161,283	741,954	21,079	924,316	124,929	(4,059)		120,870	
2048 - Platte County	(939,439)	7,051	839,922	110,122	23,029	980,124	311,725	1,434,036	-	1,745,761	241,460	7,478		248,938	
2050 - Dawson County	(888,574)	6,669	794,446	104,160	4,911	910,186	294,847	1,356,392	23,199	1,674,438	228,386	(4,034)		224,352	
2052 - Seward County	(737,387)	5,534	659,274	86,437	10,373	761,618	244,680	1,125,607	32,380	1,402,667	189,527	(6,361)		183,166	
2054 - Morrill County	(318,676)	2,392	284,918	37,356	1,804	326,470	105,743	486,452	15,778	607,973	81,908	(3,523)		78,385	
2056 - Buffalo County	(1,316,914)	9,884	1,177,411	154,370	2,935	1,344,600	436,978	2,010,244	26,887	2,474,109	338,481	(7,871)		330,610	
2058 - Saunders County	(810,178)	6,081	724,354	94,970	29,052	854,457	268,833	1,236,721	2,201	1,507,755	208,237	6,774		215,011	
2060 - Washington County	(825,077)	6,193	737,675	96,717	9,399	849,984	273,777	1,259,465	18,754	1,551,996	212,066	(606)		211,460	
2062 - Kimball County	(227,392)	1,707	203,304	26,655	7,499	239,165	75,453	347,109	700	423,262	58,446	2,062		60,508	
2089 - Saline County	(537,733)	4,036	480,770	63,034	3,307	551,147	178,431	820,839	24,700	1,023,970	138,211	(4,019)		134,192	
2090 - Adams County	(751,780)	5,642	672,143	88,125	13,859	779,769	249,456	1,147,579	31,642	1,428,677	193,227	(6,338)		186,889	
2091 - Box Butte County	(301,040)	2,259	269,150	35,288	20,054	326,751	99,891	459,532	4,413	563,836	77,375	4,863		82,238	
2119 - Madison County	(756,559)	5,678	676,415	88,685	6,099	776,877	251,041	1,154,873	8,367	1,414,281	194,455	(1,353)		193,102	
2121 - York County	(633,571)	4,755	566,455	74,268	11,799	657,277	210,232	967,134	12,303	1,189,669	162,844	1,202		164,046	
2123 - Custer County	(512,900)	3,850	458,568	60,123	5,380	527,921	170,191	782,932	12,388	965,511	131,829	(2,777)		129,052	
2125 - Sarpy County	(5,176,614)	38,855	4,628,252	606,810	112,294	5,386,211	1,717,707	7,902,012	52,010	9,671,729	1,330,526	24,533		1,355,059	
2126 - Cuming County	(251,339)	1,886	224,714	29,462	6,726	262,788	83,399	383,664	1,758	468,821	64,600	1,519		66,119	
2152 - Harlan County	(189,097)	1,419	169,066	22,166	3,626	196,277	62,746	288,653	2,404	353,803	48,603	114		48,717	
2164 - Gage County	(529,147)	3,972	473,094	62,027	9,243	548,336	175,582	807,734	20,405	1,003,721	136,005	(2,793)		133,212	
2165 - Richardson County	(370,163)	2,778	330,951	43,391	562	377,682	122,828	565,048	25,281	713,157	95,142	(6,499)		88,643	
2167 - Hitchcock County	(147,214)	1,105	131,620	17,257	3,877	153,859	48,849	224,720	6,812	280,381	37,838	(413)		37,425	
2168 - Red Willow County	(320,600)	2,406	286,638	37,581	4,562	331,187	106,382	489,390	11,657	607,429	82,402	(2,277)		80,125	
2232 - Polk County	(258,399)	1,939	231,027	30,290	3,814	267,070	85,742	394,442	8,732	488,916	66,415	(405)		66,010	
2234 - Lincoln County	(996,729)	7,481	891,144	116,838	15,676	1,031,139	330,735	1,521,489	7,664	1,859,888	256,185	2,975		259,160	
2240 - Cedar County	(384,457)	2,886	343,730	45,066	1,104	392,786	127,570	586,866	12,169	726,605	98,815	(2,873)		95,942	
2242 - Holt County	(439,904)	3,302	393,304	51,566	459	448,631	145,969	671,505	18,083	835,557	113,067	(5,617)		107,450	
2243 - Frontier County	(143,820)	1,079	128,584	16,859	5,974	152,496	47,722	219,538	8,482	275,742	36,965	(898)		36,067	
2244 - Webster County	(217,372)	1,631	194,345	25,481	2,508	223,965	72,128	331,814	3,999	407,941	55,870	(543)		55,327	
2245 - Kearney County	(245,741)	1,844	219,709	28,806	6,954	257,313	81,542	375,120	3,277	459,939	63,162	1,559		64,721	
2246 - Nemaha County	(328,572)	2,466	293,766	38,516	6,040	340,788	109,027	501,559	4,768	615,354	84,451	348		84,799	
2247 - Franklin County	(227,644)	1,709	203,529	26,685	2,752	234,675	75,537	347,494	3,677	426,708	58,510	(21)		58,489	
2248 - Dundy County	(142,788)	1,072	127,663	16,738	1,149	146,222	47,380	217,964	7,830	273,174	36,700	(2,960)		33,740	
2249 - Phelps County	(397,154)	2,981	355,083	46,555	8,172	412,791	131,784	606,248	8,361	746,393	102,079	(602)		101,477	
2775 - Antelope County	(330,980)	2,484	295,919	38,798	13,948	351,149	109,826	505,235	12,008	627,069	85,070	71		85,141	
2776 - Arthur County	(31,110)	233	27,815	3,647	2,448	34,143	10,323	47,489	1,125	58,937	7,996	440		8,436	
2777 - Blaine County	(47,229)	354	42,226	5,536	240	48,356	15,671	72,094	1,800	89,565	12,139	(538)		11,601	
2778 - Boone County	(269,626)	2,024	241,064	31,606	6,087	280,781	89,467	411,580	2,066	503,113	69,301	2,329		71,630	
2779 - Boyd County	(82,008)	616	73,321	9,613	1,339	84,889	27,212	125,184	3,451	155,847	21,078	(553)		20,525	
2780 - Brown County	(200,878)	1,508	179,599	23,547	2,302	206,956	66,655	306,637	3,962	377,254	51,631	(764)		50,867	
2781 - Burt County	(262,873)	1,973	235,026	30,814	4,966	272,779	87,226	401,270	3,818	492,314	67,565	127		67,692	
2782 - Butler County	(466,993)	3,505	417,523	54,741	5,711	481,480	154,958	712,856	9,687	877,501	120,029	(484)		119,545	
2783 - Cass County	(1,129,066)	8,474	1,009,462	132,350	4,968	1,155,254	374,647	1,723,498	40,706	2,138,851	290,199	(9,054)		281,145	
2784 - Chase County	(233,450)	1,752	208,720	27,365	642	238,479	77,463	356,357	10,708	444,528	60,003	(3,282)		56,721	
2785 - Cherry County	(294,848)	2,213	263,615	34,562	13,091	313,481	97,837	450,081	10,506	558,424	75,784	245		76,029	
2786 - Clay County	(334,244)	2,509	298,837	39,180	5,580	348,106	110,909	510,217	2,306	623,432	85,909	518		86,427	
2787 - Colfax County	(341,019)	2,560	304,894	39,975	76	347,505	113,157	520,559	3,860	637,576	87,651	(1,006)		86,645	
2788 - Dakota County	(606,609)	4,553	542,350	71,107	19,449	637,459	201,285	925,977	6,563	1,133,825	155,914	2,545		158,459	
2789 - Dawes County	(315,941)	2,371	282,473	37,035	867	322,746	104,836	482,278	4,838	591,952	81,205	(1,270)		79,935	
2790 - Deuel County	(136,613)	1,025	122,142	16,014	5,504	144,685	45,331	208,538	1,732	255,601	35,113	887		36,000	
2791 - Dixon County	(231,828)	1,740	207,270	27,175	5,384	241,569	76,925	353,881	3,464	434,270	59,586	1,215		60,801	
2792 - Fillmore County	(339,087)	2,545	303,166	39,748	-	345,459	112,516	517,609	5,684	635,809	87,154	(2,313)		84,841	

(Continued)

See the notes to the schedules.

**NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN - CASH BALANCE BENEFIT
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER
FOR THE YEAR ENDED DECEMBER 31, 2019**

Employer	Deferred Outflows of Resources							Deferred Inflows of Resources				Pension Expense		
	12/31/19 Net Pension Liability/(Asset) (NPL)	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments			Total Deferred Outflows of Resources	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Pension Plan Investments		Total Deferred Inflows of Resources	Proportionate Share of Plan Pension Expense	Net Recognition of Deferred Amounts from Changes in Proportionate Share		Total Employer Pension Expense
			Changes of Assumptions	Changes in Proportion				Changes in Proportion				Proportionate Share of Plan Pension Expense	Total Employer Pension Expense	
2793 - Furnas County	(207,505)	1,557	185,523	24,324	3,131	214,535	68,854	316,752	3,531	389,137	53,334	(544)	52,790	
2794 - Garden County	(190,385)	1,429	170,217	22,317	1,683	195,646	63,174	290,619	5,487	359,280	48,934	(1,317)	47,617	
2795 - Garfield County	(84,443)	634	75,497	9,898	4,496	90,525	28,020	128,900	810	157,730	21,704	848	22,552	
2796 - Grant County	(42,972)	323	38,420	5,037	542	44,322	14,259	65,596	2,131	81,986	11,045	(332)	10,713	
2797 - Greeley County	(110,237)	827	98,560	12,922	5,092	117,401	36,579	168,275	-	204,854	28,334	1,789	30,123	
2798 - Hamilton County	(381,456)	2,863	341,048	44,715	8,420	397,046	126,575	582,286	3,711	712,572	98,044	2,050	100,094	
2799 - Hayes County	(80,363)	603	71,850	9,420	2,290	84,163	26,666	122,673	9,323	158,662	20,655	(1,627)	19,028	
2800 - Hooker County	(47,153)	354	42,158	5,527	1,456	49,495	15,646	71,978	1,952	89,576	12,119	(29)	12,090	
2801 - Howard County	(258,047)	1,937	230,711	30,249	6,452	269,349	85,625	393,904	1,280	480,809	66,325	1,200	67,525	
2802 - Johnson County	(206,845)	1,552	184,934	24,247	1,680	212,413	68,635	315,745	10,024	394,404	53,165	(1,920)	51,245	
2803 - Keith County	(365,801)	2,746	327,051	42,880	6,162	378,839	121,380	558,388	5,040	684,808	94,020	11	94,031	
2804 - Keya Paha County	(58,168)	437	52,006	6,818	1,029	60,290	19,301	88,792	2,100	110,193	14,951	(183)	14,768	
2805 - Knox County	(315,718)	2,370	282,273	37,009	2,570	324,222	104,761	481,937	13,375	600,073	81,148	(3,359)	77,789	
2806 - Logan County	(64,604)	485	57,761	7,573	2,847	68,666	21,437	98,617	3,604	123,658	16,605	167	16,772	
2807 - Loup County	(51,732)	388	46,252	6,064	1,512	54,216	17,166	78,968	41	96,175	13,296	405	13,701	
2808 - McPherson County	(47,415)	356	42,392	5,558	853	49,159	15,733	72,378	451	88,562	12,187	74	12,261	
2809 - Merrick County	(302,340)	2,269	270,313	35,441	6,845	314,868	100,323	461,517	22,854	584,694	77,709	(3,323)	74,386	
2810 - Nance County	(232,227)	1,743	207,627	27,222	7,701	244,293	77,058	354,490	3,515	435,063	59,688	1,374	61,062	
2811 - Nuckolls County	(190,099)	1,427	169,961	22,284	1,031	194,703	63,079	290,182	10,288	363,549	48,860	(2,193)	46,667	
2812 - Otoe County	(567,259)	4,258	507,168	66,495	14,928	592,849	188,228	865,910	17,856	1,071,994	145,800	(1,039)	144,761	
2813 - Pawnee County	(132,236)	992	118,228	15,501	2,331	137,052	43,879	201,856	650	246,385	33,988	300	34,288	
2814 - Perkins County	(245,157)	1,840	219,187	28,738	11,932	261,697	81,348	374,228	3,892	459,468	63,012	1,252	64,264	
2815 - Pierce County	(228,825)	1,717	204,585	26,823	4,873	237,998	75,929	349,296	3,546	428,771	58,814	614	59,428	
2816 - Rock County	(138,703)	1,041	124,010	16,259	3,157	144,467	46,024	211,728	1,192	258,944	35,650	715	36,365	
2817 - Sheridan County	(294,779)	2,212	263,552	34,554	6,762	307,080	97,813	449,974	11,657	559,444	75,766	(1,487)	74,279	
2818 - Sherman County	(205,925)	1,546	184,111	24,139	1,510	211,306	68,330	314,341	5,394	388,065	52,928	(1,187)	51,741	
2819 - Sioux County	(105,832)	794	94,621	12,406	1,722	109,543	35,117	161,551	5,879	202,547	27,202	(718)	26,484	
2820 - Stanton County	(192,096)	1,442	171,747	22,518	6,991	202,698	63,741	293,231	4,660	361,632	49,374	1,302	50,676	
2821 - Thayer County	(276,470)	2,075	247,183	32,408	4,931	286,597	91,738	422,027	2,723	516,488	71,060	960	72,020	
2822 - Thomas County	(56,679)	425	50,675	6,644	101	57,845	18,807	86,519	3,627	108,953	14,568	(989)	13,579	
2823 - Thurston County	(305,908)	2,296	273,503	35,859	1,122	312,780	101,507	466,964	21,243	589,714	78,626	(5,249)	73,377	
2824 - Valley County	(201,315)	1,511	179,989	23,598	581	205,679	66,800	307,303	830	374,933	51,743	(16)	51,727	
2825 - Wayne County	(249,603)	1,873	223,162	29,259	1,914	256,208	82,823	381,015	16,073	479,911	64,154	(4,645)	59,509	
2826 - Wheeler County	(75,989)	570	67,939	8,908	1,593	79,010	25,215	115,996	1,381	142,592	19,531	242	19,773	
2833 - Four Corners Health Department	(41,839)	314	37,407	4,904	4,593	47,218	13,883	63,866	108	77,857	10,754	1,477	12,231	
2834 - Loup Basin Public Health Department	(53,236)	400	47,596	6,240	1,254	55,490	17,665	81,263	3,890	102,818	13,683	(844)	12,839	
2835 - Panhandle Public Health Department	(114,683)	861	102,534	13,443	3,501	120,339	38,054	175,061	2,500	215,615	29,476	(237)	29,239	
2836 - South Heartland District Health Department	(58,147)	436	51,988	6,816	1,378	60,618	19,294	88,761	3,879	111,934	14,945	(622)	14,323	
2837 - Two Rivers Public Health Department	(63,557)	477	56,824	7,450	-	64,751	21,089	97,018	6,163	124,270	16,336	(1,707)	14,629	
2838 - Three Rivers Public Health Department	(91,047)	683	81,402	10,673	4,906	97,664	30,211	138,982	5,126	174,319	23,401	448	23,849	
2839 - Elkhorn Logan Valley Public Health Department	(84,305)	633	75,374	9,882	6,975	92,864	27,974	128,690	3,161	159,825	21,668	820	22,488	
2840 - Northeast Nebraska Public Health Department	(40,625)	305	36,321	4,762	8,232	49,620	13,480	62,013	2,715	78,208	10,442	1,463	11,905	
2841 - Southwest Nebraska Public Health Department	(37,958)	285	33,937	4,449	9,312	47,983	12,595	57,942	897	71,434	9,756	2,065	11,821	
2842 - West Central District Health Department	(57,065)	428	51,020	6,689	27,449	85,586	18,935	87,109	8,257	114,301	14,667	4,285	18,952	
2843 - Sandhills District Health Department (dissolved) 7/1/2014	-	-	-	-	6,172	6,172	-	-	-	-	-	-	2,743	-
2844 - Southeast District Health Department	(52,502)	394	46,940	6,154	3,451	56,939	17,421	80,143	2,632	100,196	13,494	93	13,587	
2845 - Public Health Solutions	(87,824)	659	78,521	10,295	14,502	103,977	29,142	134,062	15,259	178,463	22,573	(2,334)	20,239	
2846 - Sarpy/Cass Department of Health and Wellness	(74,768)	561	66,847	8,764	6,933	83,105	24,809	114,132	204	139,145	19,217	2,035	21,252	
2847 - Stur Museum	(76,418)	574	68,323	8,958	3,442	81,297	25,357	116,650	245	142,252	19,641	1,057	20,698	
2848 - Western Nebraska Regional Airport	(59,805)	449	53,470	7,010	1,301	62,230	19,845	91,292	4,845	115,982	15,372	(1,099)	14,273	
2849 - Saunders Medical Center	-	-	-	-	363,889	363,889	-	-	72,183	72,183	-	67,694	67,694	-
2850 - Nemaha County Hospital	(641,136)	4,812	573,219	75,155	11,978	665,164	212,742	978,682	2,017	1,193,441	164,788	3,597	168,385	-

(Concluded)

Deferred outflows for contributions made after 12/31/19 are not reflected. Please consult GASB 68, Paragraph 89.

See the notes to the schedules.

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT

**NOTES TO THE SCHEDULE OF EMPLOYER ALLOCATIONS, AND
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER**

For the Year Ended December 31, 2019

1. Summary of Significant Accounting Policies

A. Basis of Presentation

Employers participating in the NPERS – County Employees Retirement Plan – Cash Balance Benefit cost-sharing, multiple-employer defined benefit plan are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions. The Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer provide employers with the required information for financial reporting.

The underlying financial information used to prepare the pension allocation schedules is based on NPERS – County Employees Retirement Plan – Cash Balance Benefit financial statements. NPERS financial statements for all plans are prepared using the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), which apply to governmental accounting for fiduciary funds.

Employer contributions for pay periods beginning on or after January 1, 2019, and ending on or before December 31, 2019, were used as the basis for determining each employer's proportionate share of the collective pension amounts reported in the Schedule of Employer Allocations.

The Employer Allocated Proportion on the Schedule of Employer Allocations represents each employer's actual contributions divided by the total actual employer contributions for all County employers. The percentages in this column are used to calculate each employer's proportionate share on the Schedule of Pension Amounts by Employer.

The Differences between Projected and Actual Earnings on Pension Plan Investments are to be recognized over a five-year period. The non-current amount is presented as a Deferred Outflow of Resources and a Deferred Inflow of Resources on the Schedule of Pension Amounts by Employer. The current amount is included in the Proportionate Share of Plan Pension Expense on the Schedule of Pension Amounts by Employer.

The Changes in Proportion, presented as a Deferred Outflow of Resources or Deferred Inflow of Resources on the Schedule of Pension Amounts by Employer, are calculated as the difference between each employer's current year employer allocated proportion and the previous fiscal year employer allocated proportion, multiplied by the previous year's collective Net Pension Liability/(Asset), less the amount to be recognized in the current period as Pension Expense. These amounts also include the prior year Deferred Outflows of Resources and Deferred Inflows of Resources less the amount to be recognized in the current period as pension expense.

Prior year information can be found in the GASB Statement No. 68 reports prepared by the plan actuary as of December 31, 2014, through December 31, 2018 (see Note 3). The change in proportion to be reported as pension expense in the current year is determined by spreading the total change over the average expected remaining service life of the entire plan membership at the beginning of the measurement period, which is 6.25 years. That amount is presented as the Net Recognition of Deferred Amounts from Changes in Proportionate Share found under Pension Expense on the Schedule of Pension Amounts by Employer.

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT

**NOTES TO THE SCHEDULE OF EMPLOYER ALLOCATIONS, AND
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER**

(Continued)

1. Summary of Significant Accounting Policies (Concluded)

The Differences Between Expected and Actual Experience are also to be recognized over the average expected remaining service life of the entire plan membership at the beginning of the measurement period, which is 6.25 years. The non-current amount is presented as a Deferred Outflow of Resources and Deferred Inflow of Resources on the Schedule of Pension Amounts by Employer. The current amount is included in the Proportionate Share of Plan Pension Expense on the Schedule of Pension Amounts by Employer.

The column titled 12/31/19 Net Pension Liability/(Asset) on the Schedule of Pension Amounts by Employer represents a Net Pension Asset, as the plan was more than 100% funded at December 31, 2019.

A Schedule of Recognition Amounts by Employer showing Deferred Outflows of Resources and Deferred Inflows of Resources to be recognized in future years, by employer, has been prepared by the actuary in their GASB Statement No. 68 report prepared as of December 31, 2019. NPERS anticipates County employers participating in the plan, and their auditors will use this report for County fiscal years ended December 31, 2020. As such, it is anticipated amounts will be deferred to fiscal years ending December 31, 2020, and beyond. The schedule also provides the sensitivity of the Net Pension Liability/(Asset) to changes in the discount rate, showing what the proportionate share of the Net Pension Liability/(Asset) would be if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate (7.5%).

2. Plan Description

The Nebraska Public Employees Retirement Board (Board) was created in 1971 to administer the Nebraska retirement plans. In 1973, the State Legislature brought the County Employees Retirement Plan under the administration of the Board. This multiple-employer plan covers employees of 91 of the State's 93 counties and several county health districts. Douglas and Lancaster counties have separate retirement plans for their employees, as allowed by Neb. Rev. Stat. § 23-1118 (Cum. Supp. 2018).

The County Employees Retirement Plan has been created in accordance with Internal Revenue Code Sections 401(a), 414(h), and 414(k).

Participants should refer to Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2012, Cum. Supp. 2018, Supp. 2019) for the County Employees Retirement Act and certain supplementary statutes. Benefit and contribution provisions are established by State law and may be amended only by the Nebraska Legislature.

Prior to January 1, 2003, the County Plan consisted of a defined contribution plan. Effective January 1, 2003, a cash balance benefit was added to the County Employees Retirement Act. The cash balance benefit is a type of defined benefit plan. Each member employed and participating in the retirement system prior to January 1, 2003, elected either to continue participation in the defined contribution option or to begin participation in the cash balance benefit. The defined contribution option is closed to new entrants. On or after January 1, 2003, all new members of the County Plan become members of the cash balance benefit. The information in this report relates only to the cash balance benefit plan.

Participation in the County Employees Retirement Plan is required of all full-time employees upon employment and of all full-time elected officials upon taking office. All permanent part-time employees can elect voluntary participation upon reaching age 18. Part-time elected officials may exercise the option to join. During calendar year 2019, there were 107 participating employers in the County Plan. Effective July 1, 2018, Saunders Medical Center was no longer participating in the plan, leaving 107 remaining participating employers.

NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT

**NOTES TO THE SCHEDULE OF EMPLOYER ALLOCATIONS, AND
SCHEDULE OF PENSION AMOUNTS BY EMPLOYER**

(Concluded)

3. Actuarial Methods and Assumptions

The total pension liability/(asset) for the County Employees Retirement Plan – Cash Balance Benefit was determined by an actuarial valuation as of the December 31, 2019, measurement date, using the entry age normal actuarial cost method. Inflation is assumed to be 2.75 percent. The long-term expected rate of return on pension plan investments used in the determination of the total pension liability is 7.50 percent.

The actuarial assumptions used in the January 1, 2020, valuation were based on the results of the actuarial experience study, which covered the four-year period ending December 31, 2015. The experience study report is dated November 17, 2016.

The supporting actuary information is included in the January 1, 2020, Actuarial Valuation Report and the December 31, 2019, GASB Statement No. 67 and 68 reports prepared by the actuary. Those reports can be obtained from <https://npers.ne.gov> under Member Info – Publications/Videos, by writing to Public Employees Retirement Systems, P.O. Box 94816, Lincoln, NE, 68509-4816, or by calling 402-471-2053.

4. Additional Financial Information

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer (including the unmodified audit opinion on the financial statements) is presented in a separate report prepared by NPERS. That report can be obtained from <https://npers.ne.gov> under Related Links – Retirement Plan Audits, by writing to Public Employees Retirement Systems, P.O. Box 94816, Lincoln, NE, 68509-4816, or by calling 402-471-2053.



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NEBRASKA PUBLIC EMPLOYEES RETIREMENT SYSTEMS
COUNTY EMPLOYEES RETIREMENT PLAN – CASH BALANCE BENEFIT
EMPLOYER GASB STATEMENT NO. 68 SCHEDULES
INDEPENDENT AUDITOR’S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Nebraska Public Employees Retirement Board
Lincoln, 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 Schedule of Employer Allocations of the Nebraska Public Employees Retirement Systems (NPERS) – County Employees Retirement Plan – Cash Balance Benefit, as of and for the year ended December 31, 2019, and the related notes. We have also audited the total for all entities of the columns titled Net Pension Liability/(Asset), Total Deferred Outflows of Resources, Total Deferred Inflows of Resources, and Total Employer Pension Expense (specified column totals) included in the accompanying Schedule of Pension Amounts by Employer of the NPERS – County Employees Retirement Plan – Cash Balance Benefit, as of and for the year ended December 31, 2019, and the related notes, and have issued our report thereon dated July 27, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the NPERS – County Employees Retirement Plan – Cash Balance Benefit’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 Schedules referred to previously, but not for the purpose of expressing an opinion on the effectiveness of the NPERS – County Employees Retirement Plan – Cash Balance Benefit’s internal control. Accordingly, we do not express an opinion on the effectiveness of the NPERS – County Employees Retirement Plan – Cash Balance Benefit’s internal control.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the NPERS – County Employees Retirement Plan – Cash Balance Benefit’s Schedules will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NPERS – County Employees Retirement Plan – Cash Balance Benefit’s Schedules 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 Schedule 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*.

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, not to provide an opinion on the effectiveness of the NPERS – County Employees Retirement Plan – Cash Balance Benefit’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 NPERS – County Employees Retirement Plan – Cash Balance Benefit’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kris Kucera, CPA, CFE
Audit Manager
Lincoln, Nebraska

July 27, 2020