

**AUDIT REPORT
OF
SAUNDERS COUNTY**

JULY 1, 2019, THROUGH JUNE 30, 2020

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Issued on March 24, 2021

SAUNDERS COUNTY

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SAUNDERS COUNTY
433 N. Chestnut
Wahoo, NE 68066

LIST OF COUNTY OFFICIALS
At June 30, 2020

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Supervisors	Frank J. Albrecht	Jan. 2023
	Craig Breunig	Jan. 2023
	Doris Karloff	Jan. 2021
	David Lutton	Jan. 2023
	Lawrence Mach	Jan. 2023
	Edward Rastovski	Jan. 2021
	Scott Sukstorf	Jan. 2021
Assessor	Rhonda Andresen	Jan. 2023
Register of Deeds		
Attorney	Joseph Dobesh	Jan. 2023
Clerk	Patti Lindgren	Jan. 2023
Election Commissioner		
Clerk of the District Court	Patty McEvoy	Jan. 2023
Sheriff	Kevin Stukenholtz	Jan. 2023
Treasurer	Amber Scanlon	Jan. 2023
Surveyor	Jerry Charles	Jan. 2023
Veterans' Service Officer	Mary Pace	Appointed
Weed Superintendent	Ed Sladky	Appointed
Highway Superintendent	Steve Mika	Appointed
Planning & Zoning	George Borreson	Appointed
Public Defender	Thomas Klein	Appointed
Emergency Manager	Terry Miller	Appointed



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SAUNDERS COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
Saunders County, Nebraska

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Summary of Opinions

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

Basis for Adverse Opinion on the Discretely Presented Component Unit

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

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on the Discretely Presented Component Unit” paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of Saunders County, as of June 30, 2020, or the change in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and aggregate remaining fund information of Saunders County, as of June 30, 2020, 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 18-34, 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 18, 2021, on our consideration of Saunders County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and considering Saunders County's internal control over financial reporting and compliance.



Zachary Wells, CPA, CISA
Audit Manager
Lincoln, Nebraska

March 18, 2021

SAUNDERS COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 19,809,265
TOTAL ASSETS	<u><u>\$ 19,809,265</u></u>
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 63,891
Emergency Services	1,186,042
Drug Education	2,049
Law Enforcement	8,022
Preservation of Records	80,311
Debt Service	3,745,992
Road Maintenance	1,382,218
Communications Towers	32,760
Child Support Enforcement	29,856
Unrestricted	13,278,124
TOTAL NET POSITION	<u><u>\$ 19,809,265</u></u>

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

SAUNDERS COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2020

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (6,502,178)	\$ 1,039,768	\$ 99,749	\$ (5,362,661)
Public Safety	(4,951,403)	1,514,249	164,432	(3,272,722)
Public Works	(6,891,233)	11,169	4,525,335	(2,354,729)
Public Assistance	(145,476)	2,892	73,253	(69,331)
Culture and Recreation	(27,648)	-	-	(27,648)
Debt Payments	(2,980,358)	-	-	(2,980,358)
Total Governmental Activities	\$ (21,498,296)	\$ 2,568,078	\$ 4,862,769	(14,067,449)

General Receipts:

Property Taxes	11,563,621
Grants and Contributions Not Restricted to Specific Programs	2,035,734
Investment Income	221,057
Licenses and Permits	268,046
Bond Proceeds	1,200,000
Miscellaneous	180,153
Total General Receipts	15,468,611
 Increase in Net Position	 1,401,162
Net Position - Beginning of year	18,408,103
Net Position - End of year	\$ 19,809,265

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

SAUNDERS COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS

June 30, 2020

	General Fund	Public Works Fund	Inheritance Fund	Health Services Bond Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents (Note 1.D)	\$ 5,829,109	\$ 4,282,975	\$ 2,337,262	\$ 2,784,895	\$ 4,575,024	\$ 19,809,265
TOTAL ASSETS	\$ 5,829,109	\$ 4,282,975	\$ 2,337,262	\$ 2,784,895	\$ 4,575,024	\$ 19,809,265
FUND BALANCES						
Restricted for:						
Visitor Promotion	-	-	-	-	63,891	63,891
Emergency Services	-	-	-	-	1,186,042	1,186,042
Drug Education	-	-	-	-	2,049	2,049
Law Enforcement	-	-	-	-	8,022	8,022
Preservation of Records	-	-	-	-	80,311	80,311
Debt Service	-	-	-	2,784,895	961,097	3,745,992
Road Maintenance	-	-	-	-	1,382,218	1,382,218
Communications Towers	-	-	-	-	32,760	32,760
Child Support Enforcement	-	-	-	-	29,856	29,856
Committed to:						
Law Enforcement	-	-	-	-	113,857	113,857
Road Maintenance	-	4,282,975	-	-	-	4,282,975
Aid and Assistance	-	-	-	-	131,303	131,303
County Buildings	-	-	-	-	526,155	526,155
Disaster Recovery	-	-	-	-	32,866	32,866
Emergency Services	-	-	-	-	17,803	17,803
Youth Camp	-	-	-	-	6,794	6,794
Assigned to:						
Other Purposes	-	-	2,337,262	-	-	2,337,262
Unassigned	5,829,109	-	-	-	-	5,829,109
TOTAL CASH BASIS FUND BALANCES	\$ 5,829,109	\$ 4,282,975	\$ 2,337,262	\$ 2,784,895	\$ 4,575,024	\$ 19,809,265

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

SAUNDERS COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	General Fund	Public Works Fund	Inheritance Fund	Health Services Bond Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS						
Property Taxes	\$9,413,172	\$ -	\$ 900,468	\$ -	\$ 1,249,981	\$ 11,563,621
Licenses and Permits	268,046	-	-	-	-	268,046
Investment Income	160,532	-	-	50,242	10,283	221,057
Intergovernmental	1,659,422	4,141,203	-	-	1,097,878	6,898,503
Charges for Services	2,288,783	11,169	-	-	268,126	2,568,078
Miscellaneous	132,010	13,021	-	1,200,000	35,122	1,380,153
TOTAL RECEIPTS	<u>13,921,965</u>	<u>4,165,393</u>	<u>900,468</u>	<u>1,250,242</u>	<u>2,661,390</u>	<u>22,899,458</u>
DISBURSEMENTS						
General Government	6,128,129	-	2,046	-	372,003	6,502,178
Public Safety	4,286,535	-	-	-	664,868	4,951,403
Public Works	105,555	6,520,277	-	-	265,401	6,891,233
Public Assistance	82,755	-	-	-	62,721	145,476
Culture and Recreation	-	-	-	-	27,648	27,648
Debt Service:						
Principal Payments	-	-	-	1,780,000	840,000	2,620,000
Interest and Fiscal Charges	-	-	-	251,133	109,225	360,358
TOTAL DISBURSEMENTS	<u>10,602,974</u>	<u>6,520,277</u>	<u>2,046</u>	<u>2,031,133</u>	<u>2,341,866</u>	<u>21,498,296</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>3,318,991</u>	<u>(2,354,884)</u>	<u>898,422</u>	<u>(780,891)</u>	<u>319,524</u>	<u>1,401,162</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	92,664	3,310,947	-	-	376,622	3,780,233
Transfers out	(3,537,569)	(9,777)	(150,000)	-	(82,887)	(3,780,233)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,444,905)</u>	<u>3,301,170</u>	<u>(150,000)</u>	<u>-</u>	<u>293,735</u>	<u>-</u>
Net Change in Fund Balances	(125,914)	946,286	748,422	(780,891)	613,259	1,401,162
CASH BASIS FUND BALANCES - BEGINNING	<u>5,955,023</u>	<u>3,336,689</u>	<u>1,588,840</u>	<u>3,565,786</u>	<u>3,961,765</u>	<u>18,408,103</u>
CASH BASIS FUND BALANCES - ENDING	<u>\$5,829,109</u>	<u>\$ 4,282,975</u>	<u>\$ 2,337,262</u>	<u>\$ 2,784,895</u>	<u>\$ 4,575,024</u>	<u>\$ 19,809,265</u>

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

SAUNDERS COUNTY
STATEMENT OF CASH BASIS NET POSITION
FIDUCIARY FUNDS
June 30, 2020

	Agency Funds
ASSETS	
Cash and Cash Equivalents	\$ 6,557,373
 LIABILITIES	
Due to other governments	
State	939,111
Schools	3,895,178
Educational Service Units	10,796
Technical College	66,845
Natural Resource Districts	25,225
Fire Districts	35,376
Municipalities	145,507
Agricultural Society	5,257
Drainage Districts	4,973
Townships	70,472
Sanitary and Improvement Districts	575,625
Airport Authorities	4,063
Others	778,945
TOTAL LIABILITIES	6,557,373
 TOTAL NET ASSETS	 \$ -

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2020

1. **Summary of Significant Accounting Policies**

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

A. Reporting Entity

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

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

Joint Organization.

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

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$102,472 toward the operation of the Region during fiscal year 2020. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with the Three Rivers Health Department (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2018).

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 2020. 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) (Cum. Supp. 2020). Financial information for the Department is available in that report.

B. Basis of Presentation

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

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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County reports the following major governmental funds:

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

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

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

Health Services Bond Fund. This fund is used to account for receipts from interest and from the Hospital designated for the payment of long-term debt principal, interest, and related costs associated with bonds issued for the construction of hospital facilities.

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

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

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

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

The County designates fund balances as follows:

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

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

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

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

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

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 2018) and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities, which are authorized by the Nebraska Investment Council.

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

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

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

Restricted Net Position. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net position is reported as restricted when constraints placed on its use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$5,674,034 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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

Excess of Disbursements Over Appropriations. For the year ended June 30, 2020, disbursements exceeded budgeted appropriations in the County Sheriff and Building Security functions of the General Fund by \$1,134 and \$612, respectively. These over-expenditures were funded by greater than anticipated receipts.

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 2018).

At year end, the County's carrying amount of deposits was \$19,809,265 for County funds and \$6,557,373 for Fiduciary funds. The bank balances for all funds totaled \$26,425,061. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2020, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County did not have sufficient collateral securities to protect deposits at all times during the fiscal year.

3. **Property Taxes**

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

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

The levy set in October 2019, for the 2019 taxes, which will be materially collected in May and September 2020, was set at \$.226895/\$100 of assessed valuation. The levy set in October 2018, for the 2018 taxes, which were materially collected in May and September 2019, was set at \$.230880/\$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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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. 2020) 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, 2020, 176 employees contributed \$319,401, and the County contributed \$473,791. Contributions included \$10,620 in cash contributions towards the supplemental law enforcement plan for 19 law enforcement employees. Lastly, the County paid \$904 directly to seven retired employees for prior service benefits.

5. Risk Management

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 98 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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

5. Risk Management (Concluded)

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, 2020, consisted of the following:

Transfers to	Transfers from				Total
	General Fund	Public Works Fund	Inheritance Fund	Nonmajor Funds	
General Fund	\$ -	\$ 9,777	\$ -	\$ 82,887	\$ 92,664
Public Works Fund	3,310,947	-	-	-	3,310,947
Nonmajor Funds	226,622	-	150,000	-	376,622
Total	<u>\$ 3,537,569</u>	<u>\$ 9,777</u>	<u>\$ 150,000</u>	<u>\$ 82,887</u>	<u>\$ 3,780,233</u>

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.

In the year ended June 30, 2020, the County made a one-time transfer of \$9,777 from the Public Works Fund to the General Fund to correct a prior year coding error. Additionally, transfers were completed from two funds to share personnel costs based on time worked and other agreements. Transfers for this purpose were made from the 911 Wireless Service Fund and Transportation Fund to the General Fund for \$33,412 and \$19,277, respectively. Lastly, a transfer of \$30,198 was made from the Child Support Incentive Fund to the General Fund to reimburse eligible child support enforcement costs.

7. Contingent Liabilities

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

8. Long-Term Debt

Hospital Bonds. The County issued bonds in November 2005 in the amount of \$9,400,000 and in January 2006 in the amount of \$12,740,000 – a total of \$22,140,000 for the purpose of paying the costs of acquiring a site, constructing, and equipping a new hospital clinic and long-term care facility. During fiscal years 2012 and 2014, the County Board partially refinanced these bonds. In February 2020, the County again partially refinanced the Series 2012 bonds. During the fiscal year, both the County and the Hospital made payments of \$1,000,000 to reduce the bonds payable balance in association with this refinance. The bond payable balance, as of June 30, 2020, was \$10,795,000. 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. Receipts generated at the Hospital and future tax resources will be used to pay off the bonds. Complete financial statements of the Hospital can be obtained from its administrative office.

Future Payments:

Year	Principal	Interest	Total
2021	\$ 790,000	\$ 291,800	\$ 1,081,800
2022	845,000	276,369	1,121,369
2023	635,000	262,100	897,100
2024	675,000	245,625	920,625
2025	690,000	225,150	915,150
2026-2030	3,705,000	801,825	4,506,825
2031-2035	2,720,000	318,300	3,038,300
2036	735,000	11,025	746,025
Total Payments	<u>\$ 10,795,000</u>	<u>\$ 2,432,194</u>	<u>\$ 13,227,194</u>

Law Enforcement Center Bonds. The County issued bonds on December 2006 in the amount of \$7,990,000 and in January 2007 in the amount of \$5,000,000 – a total of \$12,990,000 for the purpose of paying the costs of acquiring a site, constructing, and equipping a new law enforcement facility. During fiscal year 2012, the County Board partially refinanced both of these bonds. In addition, the County Board authorized early redemption of the Series 2011 bonds that were refinanced in fiscal year 2012, and issued refunding bonds, Series 2016, on October 12, 2016. The bond payable balance, as of June 30, 2020, was \$6,220,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

Year	Principal	Interest	Total
2021	\$ 850,000	\$ 98,250	\$ 948,250
2022	860,000	86,790	946,790
2023	880,000	73,861	953,861
2024	880,000	59,659	939,659
2025	905,000	44,210	949,210
2026-2027	1,845,000	36,644	1,881,644
Total Payments	<u>\$ 6,220,000</u>	<u>\$ 399,414</u>	<u>\$ 6,619,414</u>

9. Subsequent Event

On August 12, 2020, the County refinanced Series 2012 bonds in connection with the Law Enforcement Center. This refinance refunded \$2,295,000 of Series 2012 bonds and issued \$2,335,000 of Series 2020 bonds. As the refinance was completed at the same financial institution, no exchange of cash was made.

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 9,970,449	\$ 9,970,449	\$ 9,413,172	\$ (557,277)
Licenses and Permits	203,200	203,200	268,046	64,846
Interest	30,000	30,000	160,532	130,532
Intergovernmental	336,100	336,100	1,659,422	1,323,322
Charges for Services	2,484,925	2,484,925	2,288,783	(196,142)
Miscellaneous	100,000	100,000	132,010	32,010
TOTAL RECEIPTS	<u>13,124,674</u>	<u>13,124,674</u>	<u>13,921,965</u>	<u>797,291</u>
DISBURSEMENTS				
General Government:				
County Board	183,062	183,062	179,113	3,949
County Clerk	179,723	179,723	179,306	417
County Treasurer	291,809	291,809	276,217	15,592
County Assessor/ Register of Deeds	340,901	340,901	332,203	8,698
Election Commissioner	122,103	122,103	113,862	8,241
Building and Zoning	81,571	81,571	80,649	922
Administrative	140,250	140,250	100,650	39,600
Board of Equalization	11,800	11,800	6,047	5,753
Clerk of the District Court	116,443	116,443	115,366	1,077
District Judge	53,376	53,666	53,666	-
Public Defender	258,730	258,730	245,389	13,341
Child Support District Court	32,624	32,624	3,556	29,068
Agricultural Extension Agent	102,686	102,686	102,686	-
Unemployment Compensation	20,000	20,000	7,764	12,236
Miscellaneous	7,003,042	6,990,252	4,331,655	2,658,597
Public Safety				
County Sheriff	1,578,682	1,591,182	1,592,316	(1,134)
County Attorney	374,523	374,523	360,607	13,916
County Sheriff Grant	28,380	28,380	11,164	17,216
County Jail	2,218,956	2,218,956	2,140,647	78,309
Child Support Attorney	89,750	89,750	72,239	17,511
Building Security	108,950	108,950	109,562	(612)
Public Works				
County Surveyor	105,948	105,948	105,555	393
Public Assistance				
Veterans' Service Officer	47,873	47,873	47,293	580
Medical Relief	30,000	30,000	28,490	1,510
Institutions	36,500	36,500	6,972	29,528
TOTAL DISBURSEMENTS	<u>13,557,682</u>	<u>13,557,682</u>	<u>10,602,974</u>	<u>2,954,708</u>

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

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(433,008)	(433,008)	3,318,991	3,751,999
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	92,664	92,664
Transfers out	(3,522,015)	(3,522,015)	(3,537,569)	(15,554)
TOTAL OTHER FINANCING SOURCES (USES)	(3,522,015)	(3,522,015)	(3,444,905)	77,110
Net Change in Fund Balance	(3,955,023)	(3,955,023)	(125,914)	3,829,109
FUND BALANCE - BEGINNING	5,955,023	5,955,023	5,955,023	-
FUND BALANCE - ENDING	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 5,829,109</u>	<u>\$ 3,829,109</u>

(Concluded)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
PUBLIC WORKS FUND				
RECEIPTS				
Intergovernmental	\$ 3,175,000	\$ 3,175,000	\$ 4,141,203	\$ 966,203
Charges for Services	1,500	1,500	11,169	9,669
Miscellaneous	1,000	1,000	13,021	12,021
TOTAL RECEIPTS	<u>3,177,500</u>	<u>3,177,500</u>	<u>4,165,393</u>	<u>987,893</u>
DISBURSEMENTS	<u>9,814,636</u>	<u>9,814,636</u>	<u>6,520,277</u>	<u>3,294,359</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(6,637,136)</u>	<u>(6,637,136)</u>	<u>(2,354,884)</u>	<u>4,282,252</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,310,947	3,310,947	3,310,947	-
Transfers out	(10,500)	(10,500)	(9,777)	723
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,300,447</u>	<u>3,300,447</u>	<u>3,301,170</u>	<u>723</u>
Net Change in Fund Balance	(3,336,689)	(3,336,689)	946,286	4,282,975
FUND BALANCE - BEGINNING	<u>3,336,689</u>	<u>3,336,689</u>	<u>3,336,689</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,282,975</u>	<u>\$ 4,282,975</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 800,001	\$ 800,001	\$ 900,468	\$ 100,467
TOTAL RECEIPTS	<u>800,001</u>	<u>800,001</u>	<u>900,468</u>	<u>100,467</u>
DISBURSEMENTS	<u>2,238,841</u>	<u>2,238,841</u>	<u>2,046</u>	<u>2,236,795</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,438,840)</u>	<u>(1,438,840)</u>	<u>898,422</u>	<u>2,337,262</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(150,000)	(150,000)	(150,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net Change in Fund Balance	(1,588,840)	(1,588,840)	748,422	2,337,262
FUND BALANCE - BEGINNING	<u>1,588,840</u>	<u>1,588,840</u>	<u>1,588,840</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,337,262</u>	<u>\$ 2,337,262</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HEALTH SERVICES BOND FUND				
RECEIPTS				
Interest	\$ 10,000	\$ 10,000	\$ 50,242	\$ 40,242
Miscellaneous	1,200,000	1,200,000	1,200,000	-
TOTAL RECEIPTS	<u>1,210,000</u>	<u>1,210,000</u>	<u>1,250,242</u>	<u>40,242</u>
DISBURSEMENTS	<u>4,775,786</u>	<u>4,775,786</u>	<u>2,031,133</u>	<u>2,744,653</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(3,565,786)</u>	<u>(3,565,786)</u>	<u>(780,891)</u>	<u>2,784,895</u>
Net Change in Fund Balance	(3,565,786)	(3,565,786)	(780,891)	2,784,895
FUND BALANCE - BEGINNING	3,565,786	3,565,786	3,565,786	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,784,895</u>	<u>\$ 2,784,895</u>

(Concluded)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HIGHWAY BRIDGE BUYBACK FUND				
Receipts	\$ 663,337	\$ 663,337	\$ 692,508	\$ 29,171
Disbursements	(1,473,127)	(1,473,127)	(265,401)	1,207,726
Net Change in Fund Balance	(809,790)	(809,790)	427,107	1,236,897
Fund Balance - Beginning	809,790	809,790	955,111	145,321
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,382,218</u>	<u>\$ 1,382,218</u>
COMMUNICATIONS TOWER FUND				
Receipts	\$ 17,246	\$ 17,246	\$ 17,000	\$ (246)
Disbursements	(53,344)	(53,344)	(20,338)	33,006
Net Change in Fund Balance	(36,098)	(36,098)	(3,338)	32,760
Fund Balance - Beginning	36,098	36,098	36,098	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,760</u>	<u>\$ 32,760</u>
CHILD SUPPORT INCENTIVE FUND				
Receipts	\$ 1,001	\$ 1,001	\$ 20,775	\$ 19,774
Disbursements	(40,280)	(40,280)	-	40,280
Transfers in	-	-	-	-
Transfers out	-	-	(30,198)	(30,198)
Net Change in Fund Balance	(39,279)	(39,279)	(9,423)	29,856
Fund Balance - Beginning	39,279	39,279	39,279	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,856</u>	<u>\$ 29,856</u>
VISITORS PROMOTION FUND				
Receipts	\$ 8,950	\$ 8,950	\$ 14,991	\$ 6,041
Disbursements	(27,911)	(27,911)	(21,648)	6,263
Net Change in Fund Balance	(18,961)	(18,961)	(6,657)	12,304
Fund Balance - Beginning	18,961	18,961	18,961	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,304</u>	<u>\$ 12,304</u>
VISITORS IMPROVEMENT FUND				
Receipts	\$ 9,001	\$ 9,001	\$ 14,992	\$ 5,991
Disbursements	(45,596)	(45,596)	-	45,596
Net Change in Fund Balance	(36,595)	(36,595)	14,992	51,587
Fund Balance - Beginning	36,595	36,595	36,595	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,587</u>	<u>\$ 51,587</u>

(Continued)

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

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REGISTER OF DEEDS PRESERVATION AND MODERNIZATION FUND				
Receipts	\$ 15,000	\$ 15,000	\$ 22,650	\$ 7,650
Disbursements	(75,037)	(75,037)	(2,376)	72,661
Net Change in Fund Balance	(60,037)	(60,037)	20,274	80,311
Fund Balance - Beginning	60,037	60,037	60,037	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,311</u>	<u>\$ 80,311</u>
VETERANS' AID FUND				
Receipts	\$ 146	\$ 146	\$ 1,332	\$ 1,186
Disbursements	(93,487)	(93,487)	-	93,487
Net Change in Fund Balance	(93,341)	(93,341)	1,332	94,673
Fund Balance - Beginning	93,341	93,341	93,341	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,673</u>	<u>\$ 94,673</u>
TRANSPORTATION FUND				
Receipts	\$ 60,600	\$ 60,600	\$ 76,145	\$ 15,545
Disbursements	(103,083)	(103,083)	(62,721)	40,362
Transfers in	25,674	25,674	25,674	-
Transfers out	-	-	(19,277)	(19,277)
Net Change in Fund Balance	(16,809)	(16,809)	19,821	36,630
Fund Balance - Beginning	16,809	16,809	16,809	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,630</u>	<u>\$ 36,630</u>
DIVERSION PROGRAM FUND				
Receipts	\$ 153,827	\$ 153,827	\$ 132,622	\$ (21,205)
Disbursements	(260,981)	(260,981)	(228,064)	32,917
Transfers in	103,424	103,424	118,965	15,541
Transfers out	-	-	-	-
Net Change in Fund Balance	(3,730)	(3,730)	23,523	27,253
Fund Balance - Beginning	3,730	3,730	3,730	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,253</u>	<u>\$ 27,253</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SAFETY TRAINING OPTION PROGRAM FUND				
Receipts	\$ 7,501	\$ 7,501	\$ 5,731	\$ (1,770)
Disbursements	(17,149)	(17,149)	(6,573)	10,576
Net Change in Fund Balance	(9,648)	(9,648)	(842)	8,806
Fund Balance - Beginning	9,648	9,648	9,648	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,806</u>	<u>\$ 8,806</u>
DRUG LAW ENFORCEMENT AND EDUCATION FUND				
Receipts	\$ 3,800	\$ 3,800	\$ -	\$ (3,800)
Disbursements	(5,849)	(5,849)	-	5,849
Net Change in Fund Balance	(2,049)	(2,049)	-	2,049
Fund Balance - Beginning	2,049	2,049	2,049	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,049</u>	<u>\$ 2,049</u>
DRUG TESTING FUND				
Receipts	\$ 280	\$ 280	\$ -	\$ (280)
Disbursements	(300)	(300)	-	300
Net Change in Fund Balance	(20)	(20)	-	20
Fund Balance - Beginning	20	20	20	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 20</u>
DRUG COURT PROGRAM FUND				
Receipts	\$ -	\$ 20,000	\$ -	\$ (20,000)
Disbursements	-	(20,000)	-	20,000
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FEDERAL DRUG LAW ENFORCEMENT FUND				
Receipts	\$ 9,501	\$ 9,501	\$ -	\$ (9,501)
Disbursements	(11,607)	(11,607)	-	11,607
Net Change in Fund Balance	(2,106)	(2,106)	-	2,106
Fund Balance - Beginning	2,106	2,106	2,106	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,106</u>	<u>\$ 2,106</u>

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

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CANINE FUND				
Receipts	\$ 15,000	\$ 15,000	\$ -	\$ (15,000)
Disbursements	(15,000)	(15,000)	-	15,000
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DIVERSION PROGRAM - YOUTH SERVICES GRANT FUND				
Receipts	\$ 25,000	\$ 25,000	\$ 600	\$ (24,400)
Disbursements	(42,149)	(42,149)	(11,833)	30,316
Net Change in Fund Balance	(17,149)	(17,149)	(11,233)	5,916
Fund Balance - Beginning	17,149	17,149	17,149	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,916</u>	<u>\$ 5,916</u>
VICTIM'S ASSISTANCE PROGRAM FUND				
Receipts	\$ 6,000	\$ 6,000	\$ 2,000	\$ (4,000)
Disbursements	(16,525)	(16,525)	(582)	15,943
Net Change in Fund Balance	(10,525)	(10,525)	1,418	11,943
Fund Balance - Beginning	10,525	10,525	10,525	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,943</u>	<u>\$ 11,943</u>
DISASTER FUND				
Receipts	\$ 1	\$ 1	\$ 31,989	\$ 31,988
Disbursements	(878)	(878)	-	878
Net Change in Fund Balance	(877)	(877)	31,989	32,866
Fund Balance - Beginning	877	877	877	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,866</u>	<u>\$ 32,866</u>
E911 EMERGENCY MANAGEMENT FUND				
Receipts	\$ 101,000	\$ 101,000	\$ 89,677	\$ (11,323)
Disbursements	(168,046)	(168,046)	(70,658)	97,388
Net Change in Fund Balance	(67,046)	(67,046)	19,019	86,065
Fund Balance - Beginning	67,046	67,046	67,046	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,065</u>	<u>\$ 86,065</u>

(Continued)

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

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
911 WIRELESS SERVICE FUND				
Receipts	\$ 63,001	\$ 63,001	\$ 68,181	\$ 5,180
Disbursements	(302,066)	(302,066)	(30,964)	271,102
Transfers in	-	-	-	-
Transfers out	-	-	(33,412)	(33,412)
Net Change in Fund Balance	(239,065)	(239,065)	3,805	242,870
Fund Balance - Beginning	239,065	239,065	239,065	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,870</u>	<u>\$ 242,870</u>
EMERGENCY MANAGEMENT FUND				
Receipts	\$ 27,000	\$ 27,000	\$ 37,339	\$ 10,339
Disbursements	(75,980)	(75,980)	(68,516)	7,464
Transfers in	31,983	31,983	31,983	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(16,997)	(16,997)	806	17,803
Fund Balance - Beginning	16,997	16,997	16,997	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,803</u>	<u>\$ 17,803</u>
CORRECTIONAL CENTER COMMISSARY FUND				
Receipts	\$ 187,700	\$ 187,700	\$ 203,630	\$ 15,930
Disbursements	(297,583)	(297,583)	(247,678)	49,905
Net Change in Fund Balance	(109,883)	(109,883)	(44,048)	65,835
Fund Balance - Beginning	109,883	109,883	109,883	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,835</u>	<u>\$ 65,835</u>
LAW ENFORCEMENT CENTER AND JAIL BOND FUND				
Receipts	\$ 1,025,570	\$ 1,025,570	\$ 1,042,861	\$ 17,291
Disbursements	(1,743,031)	(1,743,031)	(949,225)	793,806
Net Change in Fund Balance	(717,461)	(717,461)	93,636	811,097
Fund Balance - Beginning	867,461	867,461	867,461	-
Fund Balance - Ending	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 961,097</u>	<u>\$ 811,097</u>

(Continued)

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

For the Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COUNTY BUILDING FUND				
Receipts	\$ 105,190	\$ 105,190	\$ 101,064	\$ (4,126)
Disbursements	(879,570)	(879,570)	(349,289)	530,281
Transfers in	200,000	200,000	200,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(574,380)	(574,380)	(48,225)	526,155
Fund Balance - Beginning	574,380	574,380	574,380	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 526,155</u>	<u>\$ 526,155</u>
FLOOD CONTROL PROJECT FUND				
Receipts	\$ 77,090	\$ 77,090	\$ 77,553	\$ 463
Disbursements	(856,644)	(856,644)	-	856,644
Net Change in Fund Balance	(779,554)	(779,554)	77,553	857,107
Fund Balance - Beginning	779,554	779,554	779,554	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 857,107</u>	<u>\$ 857,107</u>
YOUTH CAMP FUND				
Receipts	\$ 7,000	\$ 7,000	\$ 7,750	\$ 750
Disbursements	(12,044)	(12,044)	(6,000)	6,044
Net Change in Fund Balance	(5,044)	(5,044)	1,750	6,794
Fund Balance - Beginning	5,044	5,044	5,044	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,794</u>	<u>\$ 6,794</u>

(Concluded)

SAUNDERS COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Highway Bridge Buyback Fund	Communications Tower Fund	Child Support Incentive Fund	Visitors Promotion Fund	Visitors Improvement Fund	Register of Deeds Preservation and Modernization Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ 14,991	\$ 14,992	\$ -
Investment Income	-	-	-	-	-	-
Intergovernmental	692,508	-	20,775	-	-	-
Charges for Services	-	-	-	-	-	22,650
Miscellaneous	-	17,000	-	-	-	-
TOTAL RECEIPTS	<u>692,508</u>	<u>17,000</u>	<u>20,775</u>	<u>14,991</u>	<u>14,992</u>	<u>22,650</u>
DISBURSEMENTS						
General Government	-	20,338	-	-	-	2,376
Public Safety	-	-	-	-	-	-
Public Works	265,401	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	21,648	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>265,401</u>	<u>20,338</u>	<u>-</u>	<u>21,648</u>	<u>-</u>	<u>2,376</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>427,107</u>	<u>(3,338)</u>	<u>20,775</u>	<u>(6,657)</u>	<u>14,992</u>	<u>20,274</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(30,198)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(30,198)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	427,107	(3,338)	(9,423)	(6,657)	14,992	20,274
FUND BALANCES - BEGINNING	<u>955,111</u>	<u>36,098</u>	<u>39,279</u>	<u>18,961</u>	<u>36,595</u>	<u>60,037</u>
FUND BALANCES - ENDING	<u>\$ 1,382,218</u>	<u>\$ 32,760</u>	<u>\$ 29,856</u>	<u>\$ 12,304</u>	<u>\$ 51,587</u>	<u>\$ 80,311</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	12,304	51,587	-
Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	80,311
Debt Service	-	-	-	-	-	-
Road Maintenance	1,382,218	-	-	-	-	-
Communications Towers	-	32,760	-	-	-	-
Child Support Enforcement	-	-	29,856	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Disaster Recovery	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-
Youth Camp	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 1,382,218</u>	<u>\$ 32,760</u>	<u>\$ 29,856</u>	<u>\$ 12,304</u>	<u>\$ 51,587</u>	<u>\$ 80,311</u>

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Veterans' Aid Fund	Transportation Fund	Diversion Program Fund	Safety Training Option Program Fund	Drug Law Enforcement and Education Fund	Drug Testing Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	1,332	-	-	-	-	-
Intergovernmental	-	73,253	122,692	-	-	-
Charges for Services	-	2,892	5,624	5,731	-	-
Miscellaneous	-	-	4,306	-	-	-
TOTAL RECEIPTS	<u>1,332</u>	<u>76,145</u>	<u>132,622</u>	<u>5,731</u>	<u>-</u>	<u>-</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	228,064	6,573	-	-
Public Works	-	-	-	-	-	-
Public Assistance	-	62,721	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>62,721</u>	<u>228,064</u>	<u>6,573</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>1,332</u>	<u>13,424</u>	<u>(95,442)</u>	<u>(842)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	25,674	118,965	-	-	-
Transfers out	-	(19,277)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>6,397</u>	<u>118,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,332	19,821	23,523	(842)	-	-
FUND BALANCES - BEGINNING	<u>93,341</u>	<u>16,809</u>	<u>3,730</u>	<u>9,648</u>	<u>2,049</u>	<u>20</u>
FUND BALANCES - ENDING	<u>\$ 94,673</u>	<u>\$ 36,630</u>	<u>\$ 27,253</u>	<u>\$ 8,806</u>	<u>\$ 2,049</u>	<u>\$ 20</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	2,049	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road Maintenance	-	-	-	-	-	-
Communications Towers	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	27,253	8,806	-	20
Aid and Assistance	94,673	36,630	-	-	-	-
County Buildings	-	-	-	-	-	-
Disaster Recovery	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-
Youth Camp	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 94,673</u>	<u>\$ 36,630</u>	<u>\$ 27,253</u>	<u>\$ 8,806</u>	<u>\$ 2,049</u>	<u>\$ 20</u>

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Federal Drug Law Enforcement Fund	Diversion Program - Youth Services Grant Fund	Victim's Assistance Program Fund	Disaster Fund	E911 Emergency Management Fund	911 Wireless Service Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 58,612	\$ 68,181
Investment Income	-	-	-	-	-	-
Intergovernmental	-	-	-	31,989	-	-
Charges for Services	-	-	-	-	31,065	-
Miscellaneous	-	600	2,000	-	-	-
TOTAL RECEIPTS	<u>-</u>	<u>600</u>	<u>2,000</u>	<u>31,989</u>	<u>89,677</u>	<u>68,181</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	11,833	582	-	70,658	30,964
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>11,833</u>	<u>582</u>	<u>-</u>	<u>70,658</u>	<u>30,964</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>-</u>	<u>(11,233)</u>	<u>1,418</u>	<u>31,989</u>	<u>19,019</u>	<u>37,217</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(33,412)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,412)</u>
Net Change in Fund Balances	-	(11,233)	1,418	31,989	19,019	3,805
FUND BALANCES - BEGINNING	<u>2,106</u>	<u>17,149</u>	<u>10,525</u>	<u>877</u>	<u>67,046</u>	<u>239,065</u>
FUND BALANCES - ENDING	<u>\$ 2,106</u>	<u>\$ 5,916</u>	<u>\$ 11,943</u>	<u>\$ 32,866</u>	<u>\$ 86,065</u>	<u>\$242,870</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
Emergency Services	-	-	-	-	86,065	242,870
Drug Education	-	-	-	-	-	-
Law Enforcement	2,106	5,916	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road Maintenance	-	-	-	-	-	-
Communications Towers	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	11,943	-	-	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Disaster Recovery	-	-	-	32,866	-	-
Emergency Services	-	-	-	-	-	-
Youth Camp	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 2,106</u>	<u>\$ 5,916</u>	<u>\$ 11,943</u>	<u>\$ 32,866</u>	<u>\$ 86,065</u>	<u>\$242,870</u>

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Emergency Management Fund	Correctional Center Commissary Fund	Law Enforcement Center and Jail Bond Fund	County Building Fund	Flood Control Project Fund	Youth Camp Fund	Total Nonmajor Governmental Funds
RECEIPTS							
Property Taxes	\$ -	\$ -	\$ 932,259	\$ 91,065	\$ 69,881	\$ -	\$ 1,249,981
Investment Income	-	-	8,951	-	-	-	10,283
Intergovernmental	37,339	-	101,651	9,999	7,672	-	1,097,878
Charges for Services	-	200,164	-	-	-	-	268,126
Miscellaneous	-	3,466	-	-	-	7,750	35,122
TOTAL RECEIPTS	<u>37,339</u>	<u>203,630</u>	<u>1,042,861</u>	<u>101,064</u>	<u>77,553</u>	<u>7,750</u>	<u>2,661,390</u>
DISBURSEMENTS							
General Government	-	-	-	349,289	-	-	372,003
Public Safety	68,516	247,678	-	-	-	-	664,868
Public Works	-	-	-	-	-	-	265,401
Public Assistance	-	-	-	-	-	-	62,721
Culture and Recreation	-	-	-	-	-	6,000	27,648
Debt Service:							
Principal Payments	-	-	840,000	-	-	-	840,000
Interest and Fiscal Charges	-	-	109,225	-	-	-	109,225
TOTAL DISBURSEMENTS	<u>68,516</u>	<u>247,678</u>	<u>949,225</u>	<u>349,289</u>	<u>-</u>	<u>6,000</u>	<u>2,341,866</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(31,177)</u>	<u>(44,048)</u>	<u>93,636</u>	<u>(248,225)</u>	<u>77,553</u>	<u>1,750</u>	<u>319,524</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	31,983	-	-	200,000	-	-	376,622
Transfers out	-	-	-	-	-	-	(82,887)
TOTAL OTHER FINANCING SOURCES (USES)	<u>31,983</u>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>293,735</u>
Net Change in Fund Balances	806	(44,048)	93,636	(48,225)	77,553	1,750	613,259
FUND BALANCES - BEGINNING	<u>16,997</u>	<u>109,883</u>	<u>867,461</u>	<u>574,380</u>	<u>779,554</u>	<u>5,044</u>	<u>3,961,765</u>
FUND BALANCES - ENDING	<u>\$ 17,803</u>	<u>\$ 65,835</u>	<u>\$ 961,097</u>	<u>\$ 526,155</u>	<u>\$ 857,107</u>	<u>\$ 6,794</u>	<u>\$ 4,575,024</u>
FUND BALANCES:							
Restricted for:							
Visitor Promotion	-	-	-	-	-	-	63,891
Emergency Services	-	-	-	-	857,107	-	1,186,042
Drug Education	-	-	-	-	-	-	2,049
Law Enforcement	-	-	-	-	-	-	8,022
Preservation of Records	-	-	-	-	-	-	80,311
Debt Service	-	-	961,097	-	-	-	961,097
Road Maintenance	-	-	-	-	-	-	1,382,218
Communications Towers	-	-	-	-	-	-	32,760
Child Support Enforcement	-	-	-	-	-	-	29,856
Committed to:							
Law Enforcement	-	65,835	-	-	-	-	113,857
Aid and Assistance	-	-	-	-	-	-	131,303
County Buildings	-	-	-	526,155	-	-	526,155
Disaster Recovery	-	-	-	-	-	-	32,866
Emergency Services	17,803	-	-	-	-	-	17,803
Youth Camp	-	-	-	-	-	6,794	6,794
TOTAL FUND BALANCES	<u>\$ 17,803</u>	<u>\$ 65,835</u>	<u>\$ 961,097</u>	<u>\$ 526,155</u>	<u>\$ 857,107</u>	<u>\$ 6,794</u>	<u>\$ 4,575,024</u>

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2020

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	Veterans' Service Officer	County Surveyor
BALANCES JULY 1, 2019	\$ 50,743	\$ 39,679	\$ 83,677	\$ 48,657	\$ 270	\$ 100	\$ 7,085	\$ -
RECEIPTS								
Property Taxes	12,240	-	-	33,314	-	-	-	-
Licenses and Permits	2,645	-	-	-	-	-	-	-
Intergovernmental	-	-	-	43,823	-	368,964	-	-
Charges for Services	7,336	261,803	38,278	1,480,027	642	-	-	41
Miscellaneous	39,904	660	482	51,226	15	13,016	3	-
State Fees	24	292,451	36,620	852	-	-	-	-
Other Liabilities	4,930	-	644,012	524,569	22,715	-	-	-
TOTAL RECEIPTS	67,079	554,914	719,392	2,133,811	23,372	381,980	3	41
DISBURSEMENTS								
Payments to County Treasurer	58,887	249,839	36,708	1,609,973	672	381,821	-	41
Payments to State Treasurer	41	284,318	34,721	886	-	-	-	-
Other Liabilities	44,594	666	539,040	532,969	22,322	159	-	-
TOTAL DISBURSEMENTS	103,522	534,823	610,469	2,143,828	22,994	381,980	-	41
BALANCES JUNE 30, 2020	<u>\$ 14,300</u>	<u>\$ 59,770</u>	<u>\$ 192,600</u>	<u>\$ 38,640</u>	<u>\$ 648</u>	<u>\$ 100</u>	<u>\$ 7,088</u>	<u>\$ -</u>
BALANCES CONSIST OF:								
Due to County Treasurer	\$ 1,538	\$ 28,987	\$ 4,266	\$ 25,838	\$ 40	\$ -	\$ 7,088	\$ -
Petty Cash	12,500	500	500	4,400	200	100	-	-
Due to State Treasurer	12	30,283	3,605	67	-	-	-	-
Due to Others	250	-	184,229	8,335	408	-	-	-
BALANCES JUNE 30, 2020	<u>\$ 14,300</u>	<u>\$ 59,770</u>	<u>\$ 192,600</u>	<u>\$ 38,640</u>	<u>\$ 648</u>	<u>\$ 100</u>	<u>\$ 7,088</u>	<u>\$ -</u>

(Continued)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2020

	County Youth Services	County Planning and Zoning	County Transportation	County Treasurer	County Assessor	County Noxious Weed	Total
BALANCES JULY 1, 2019	\$ 100	\$ 1,071	\$ 7	\$ 300	\$ 200	\$ -	\$ 231,889
RECEIPTS							
Property Taxes	-	-	-	-	-	-	45,554
Licenses and Permits	-	159,806	-	-	-	-	162,451
Intergovernmental	3,771	-	73,253	-	-	-	489,811
Charges for Services	5,570	-	2,895	-	300	6,547	1,803,439
Miscellaneous	7,891	-	-	-	-	-	113,197
State Fees	-	-	-	-	-	-	329,947
Other Liabilities	210	-	-	-	-	-	1,196,436
TOTAL RECEIPTS	17,442	159,806	76,148	-	300	6,547	4,140,835
DISBURSEMENTS							
Payments to County Treasurer	17,145	159,252	76,145	-	300	6,547	2,597,330
Payments to State Treasurer	-	-	-	-	-	-	319,966
Other Liabilities	297	-	-	-	-	-	1,140,047
TOTAL DISBURSEMENTS	17,442	159,252	76,145	-	300	6,547	4,057,343
BALANCES JUNE 30, 2020	<u>\$ 100</u>	<u>\$ 1,625</u>	<u>\$ 10</u>	<u>\$ 300</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 315,381</u>
BALANCES CONSIST OF:							
Due to County Treasurer	\$ -	\$ 1,525	\$ 10	\$ -	\$ -	\$ -	\$ 69,292
Petty Cash	100	100	-	300	200	-	18,900
Due to State Treasurer	-	-	-	-	-	-	33,967
Due to Others	-	-	-	-	-	-	193,222
BALANCES JUNE 30, 2020	<u>\$ 100</u>	<u>\$ 1,625</u>	<u>\$ 10</u>	<u>\$ 300</u>	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ 315,381</u>

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2020

Item	2015	2016	2017	2018	2019
Tax Certified by Assessor					
Real Estate	\$ 53,460,786	\$ 54,449,427	\$ 56,141,605	\$ 56,947,817	\$ 57,866,424
Personal and Specials	2,559,192	2,238,162	2,075,220	1,954,647	2,013,219
Total	56,019,978	56,687,589	58,216,825	58,902,464	59,879,643
Corrections					
Additions	26,763	15,985	18,480	27,468	19,396
Deductions	(111,929)	(41,280)	(25,206)	(46,587)	(37,436)
Net Additions/ (Deductions)	(85,166)	(25,295)	(6,726)	(19,119)	(18,040)
Corrected Certified Tax	55,934,812	56,662,294	58,210,099	58,883,345	59,861,603
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2016	34,411,261	-	-	-	-
June 30, 2017	21,587,396	34,909,552	-	-	-
June 30, 2018	(67,943)	21,701,981	37,212,270	-	-
June 30, 2019	3,058	42,520	20,981,080	36,173,401	-
June 30, 2020	605	476	8,887	22,502,351	36,362,915
Total Net Collections	55,934,377	56,654,529	58,202,237	58,675,752	36,362,915
Total Uncollected Tax	\$ 435	\$ 7,765	\$ 7,862	\$ 207,593	\$ 23,498,688
Percentage Uncollected Tax	0.00%	0.01%	0.01%	0.35%	39.26%

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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

Board of Supervisors
Saunders County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Saunders County's basic financial statements, and have issued our report thereon dated March 18, 2021. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and do not include the financial data of the Saunders County Hospital, a component unit of Saunders County.

Internal Control Over Financial Reporting

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

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. A significant deficiency is a deficiency, or 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the following deficiency in the County's internal control to be a significant deficiency:

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

Compliance and Other Matters

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

Additional Items

We also noted certain matters that we reported to the management of Saunders County in a separate letter dated March 18, 2021.

Saunders County's Response to Findings

Saunders County declined to respond to the finding described above.

Purpose of this Report

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



Zachary Wells, CPA, CISA
Audit Manager
Lincoln, Nebraska

March 18, 2021



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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Lincoln, Nebraska 68509
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March 18, 2021

Board of Supervisors
Saunders County, Nebraska

Dear Supervisors:

We have audited the basic financial statements of Saunders County (County) for the fiscal year ended June 30, 2020, and have issued our report thereon dated March 18, 2021. 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 BOARD

Budget Errors

During our review of the fiscal year 2020 budget, we noted the following:

- The Highway Bridge Buyback Fund beginning balance was \$145,321 less than the County Treasurer's balance for that fund. This was due to a revenue adjustment being recorded erroneously for fiscal year 2019 on the budget.
- A \$10,500 transfer was budgeted out of the Public Works Fund to the General Fund; however, no corresponding transfer into the General Fund was noted.
- The General Fund Miscellaneous Function transfers out were not consistent throughout the budget. On one page, the transfers out totaled \$3,522,027; however, on another page, they totaled \$3,522,015, a variance of \$12.

Good internal controls and sound business practices require procedures to ensure that all budgeted funds are reflected accurately in the adopted budget, including procedures to ensure that beginning and ending balances agree to the actual monies held by the County Treasurer. Those procedures should ensure also that the budget is balanced appropriately, including figures being reflected consistently throughout the budget, such as transfers in and out.

Without such procedures, the County is at an increased risk of noncompliance with the Budget Act.

We recommend the County Board implement procedures to ensure the budget document is balanced accurately, and all figures are reported consistently therein.

Expenditures in Excess of Budget

For the fiscal year ended June 30, 2020, the expenditures in the Building Security and County Sheriff functions of the General Fund exceeded the adopted budget by \$612 and \$1,134, respectively.

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 appropriate adjustments by the County Board to address those excesses, the County is not in compliance with State statute.

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

Claims Issues

Duplicate Payment

We noted that one claim, totaling \$30, was a duplicate payment, which the County did not discover through its internal review process. The following table details that duplicate payment:

Payee	Amount	Original Claim		Duplicate Claim	
		Claim #	Date	Claim #	Date
Charm-Tex Inc.	\$ 30	20010052	1/28/2020	20020033	2/18/2020

No credit for the duplicate payment had been received at the time of our audit fieldwork in January 2021. A similar comment was noted in the prior year.

Taxes and Fees Paid

We noted that claims for payment of the Highway Department credit card were not submitted timely, resulting in late fees and finance charges being paid throughout the year. We tested claim 19090249, approved on September 24, 2019, which contained \$78 in late fees and \$8 in finance charges. A search of other credit card claims paid throughout the year identified five additional claims to VISA containing late fees, totaling \$177.

Additionally, we noted \$13 of sales tax paid to Midwest Transmission Supply, which was included on claim 19090249 noted above.

Neb. Rev. Stat. § 77-2704.15(1)(a) (Reissue 2018) states, in relevant part, the following:

Sales and use taxes shall not be imposed on the gross receipts from the sale, lease, or rental of and the storage, use, or other consumption in this state of purchases by the state, including public educational institutions recognized or established under the provisions of Chapter 85, or by any county . . .

Overpayment of Bid/Agreement

We noted two instances in which the County paid for services or products in an amount in excess of the agreement, as follows:

- The County entered into an interlocal agreement with Cass County to share the costs for a culvert project. The agreement specified that 50 percent of the project, including preliminary engineering fees, construction costs, and construction engineering costs, was to be paid by Cass County. However, the Highway

Department was unaware of the agreement and, therefore, was unable to provide the amount of engineering fees incurred for this project. The construction costs, totaling \$18,188, were paid entirely by the County, resulting in a minimum overpayment of \$9,094.

- The County awarded a bid for the purchase of a dump truck, totaling \$119,104, to RDO Trucking Center. On claim 20060189, the County paid \$119,462 towards the purchase, or an overpayment of \$358.

A similar comment was noted in the prior year.

Bond Payments without Approval

For two bond payments tested, totaling \$968,354 for the Hospital Bond and \$896,507 for the Law Enforcement Center Bond, the County Board did not authorize or otherwise approve the release of funds.

Neb. Rev. Stat. § 23-106(1) (Reissue 2012) states, “The county board shall manage the county funds and county business except as otherwise specifically provided.”

Good internal controls and sound business practices require procedures to ensure: 1) invoices are paid only once, and any duplicate payments are resolved in a timely manner; 2) all credit card billings are paid timely to avoid unnecessary late fees and finance charges; 3) sales taxes are not paid on any County purchases; 4) all claims are paid in accordance with any agreements and/or bids awarded; and 5) all disbursements are approved by the County Board and documented in the relevant meeting minutes prior to making those payments.

Without such procedures, there is an increased risk for the loss and/or misuse of County funds. Further, by incurring significant late fees and finance charges, the County takes on the burden of unnecessary costs and expends taxpayer money on unreasonable charges.

We recommend the County Board implement procedures to ensure: 1) invoices are paid only once, and any duplicate payments are resolved in a timely manner; 2) all credit card billings are paid timely to avoid unnecessary late fees and finance charges; 3) sales taxes are not paid on any County purchases; 4) all claims are paid in accordance with any agreements and/or bids awarded; and 5) all disbursements are approved by the County Board and documented in the relevant meeting minutes prior to making those payments.

COUNTY CLERK OF THE DISTRICT COURT

Overdue Case Balance Report

We tested 10 balances due to the District Court and noted that, for 9 of those balances, totaling \$5,266, the District Court took no action to ensure collection and/or resolution thereof. For all balances tested, there has been no activity on the cases for several years. The last activity noted on these cases ranged from August 2001 to March 2019.

As of July 31, 2020, the Overdue Case Balance Report contained 148 criminal overdue balances, totaling \$60,138. Only seven cases noted had a current warrant or suspension.

Good internal controls and sound business practices require trust case balances and overdue amounts of the District Court to be reviewed on an ongoing, timely basis to determine what action should be taken to collect, remit, or otherwise resolve those balances.

Without a regular, detailed review of the monthly financial reports, including the Overdue Case Balance Report, there is an increased risk that balances listed therein may either have no proper follow-up action taken timely or have been resolved previously and should no longer be reflected as a balance in the accounting system.

We recommend the Clerk of the District Court implement an ongoing, timely review of the monthly financial reports, including the Overdue Case Account Report, to ensure the timely collection and/or resolution of the balances listed therein.

County Clerk of the District Court's Response: The Clerk of the District Court is not a Debt Collector but I will send out letters to the last known address of the Defendant reminding them that when they were sentenced that they had court costs to pay as part of their sentence. Most of them were sentenced to State time and I am not notified of when they are released or what their current address will be. If I do not receive a response from the Defendant's I will give the case to the Judge to determine if the costs shall be waived.

COUNTY TREASURER

Insufficient Pledged Collateral

During our audit, we noted that the County Treasurer did not maintain securities to cover fully deposits held at Commercial State Bank. Deposits were uncollateralized at June 30, 2020, with an uncollateralized amount of \$66,606.

Neb. Rev. Stat. § 77-2395(1) (Cum. Supp. 2020) states, in relevant part, the following:

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

Furthermore, sound accounting practices and a good internal control plan require procedures to ensure that public funds deposited in banks are protected fully by FDIC coverage or otherwise adequately collateralized, and such security is documented properly.

Without such procedures, there is an increased risk of not only noncompliance with State statute but also loss of public funds.

We recommend the County Treasurer implement procedures for monitoring closely all County bank accounts to ensure they are secured properly by either sufficient FDIC coverage or adequate collateral.

COUNTY OVERALL

Segregation of Duties

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

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

This was also noted in prior audits.

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

* * * * *

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.

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.

Sincerely,

A handwritten signature in blue ink that reads "Zachary Wells". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Zachary Wells, CPA, CISA
Audit Manager