

**AUDIT REPORT
OF
DAKOTA COUNTY**

JULY 1, 2021, THROUGH JUNE 30, 2022

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Issued on December 6, 2022

DAKOTA COUNTY

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DAKOTA COUNTY
1601 Broadway
P.O. Box 39
Dakota City, NE 68731

LIST OF COUNTY OFFICIALS
At June 30, 2022

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Janet Gill	Jan. 2023
	Larry Albenesius	Jan. 2023
	Scott Love	Jan. 2025
	Troy Launsby	Jan. 2025
	Robert J. Giese	Jan. 2025
Assessor	Christy Abts	Jan. 2023
Attorney	Kimberly Watson	Jan. 2023
Clerk	Joan Spencer	Jan. 2023
Election Commissioner		
Register of Deeds		
Clerk of the District Court	Kathy Wiltgen	Jan. 2023
Public Defender	Lou Hunter	Jan. 2023
Sheriff	Chris Kleinberg	Jan. 2023
Treasurer	Dawn Bousquet	Jan. 2023
Surveyor	Tim Lamprecht	Appointed
Veterans' Service Officer	Bill Johnston	Appointed
Weed Superintendent	Matt Roost	Appointed
Highway Superintendent	Jolene Gubbels	Appointed
Planning & Zoning	Joseph O'Neill	Appointed
Emergency Manager	Deanna Hagberg	Appointed
Health Director	Theresa Grove	Appointed



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DAKOTA COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Dakota County, Nebraska

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dakota County, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Dakota County as of June 30, 2022, and the respective changes in cash-basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, schedule of expenditures of Federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and schedule of taxes certified and collected, pages 20-36, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 November 28, 2022, on our consideration of Dakota 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 solely 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 effectiveness of the County's 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 Dakota County's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Mark Avery", with a long horizontal flourish extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

November 28, 2022

DAKOTA COUNTY
STATEMENT OF NET POSITION - CASH BASIS
June 30, 2022

	Governmental Activities
<hr/>	
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 11,105,929
Investments (Note 1.D)	25
TOTAL ASSETS	<hr/> \$ 11,105,954 <hr/>
NET POSITION	
Restricted for:	
Visitor Promotion	\$ -
911 Emergency Services	\$ 15,259
Drug Education	1,680
Law Enforcement	17,160
Preservation of Records	14,608
Debt Service	301,471
Road & Bridge Maintenance	760,101
Coronavirus Relief & Assistance	3,626,152
Health Planning & Assistance	111,462
Aid and Assistance	16,254
Health and Dental Insurance	197,997
Unrestricted	6,043,810
TOTAL NET POSITION	<hr/> \$ 11,105,954 <hr/>

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

DAKOTA COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2022

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	\$ (4,325,463)	\$ 826,725	\$ 1,983,012	\$ (1,515,726)
Public Safety	(5,567,256)	359,213	193,768	(5,014,275)
Public Works	(2,962,385)	9,245	1,528,575	(1,424,565)
Health and Sanitation	(468,169)	12,836	399,563	(55,770)
Public Assistance	(77,372)	-	-	(77,372)
Culture and Recreation	(245,307)	-	-	(245,307)
Debt Payments	(895,510)	479,852	-	(415,658)
Capital Outlay	(430,561)	-	-	(430,561)
Total Governmental Activities	<u>\$ (14,972,023)</u>	<u>\$ 1,687,871</u>	<u>\$ 4,104,918</u>	<u>(9,179,234)</u>
General Receipts:				
Taxes				8,325,592
Grants and Contributions Not Restricted to				
Specific Programs				943,404
Investment Income				51,120
Licenses and Permits				128,978
Proceeds from Sale of Bonds				470,308
Insurance Reimbursements				102,848
Miscellaneous				659,063
Total General Receipts				<u>10,681,313</u>
Change in Net Position				1,502,079
Net Position - Beginning of year				9,603,875
Net Position - End of year				<u>\$ 11,105,954</u>

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

DAKOTA COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2022

	General Fund	Road Fund	Inheritance Fund	Insurance Fund	COVID American Rescue Plan Act Fund	Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents (Note 1.D)	\$ 4,191,244	\$ 203,629	\$ 1,643,640	\$ 197,997	\$ 3,606,014	\$ 1,263,405	\$ 11,105,929
Investments (Note 1.D)	25	-	-	-	-	-	25
TOTAL ASSETS	<u>\$ 4,191,269</u>	<u>\$ 203,629</u>	<u>\$ 1,643,640</u>	<u>\$ 197,997</u>	<u>\$ 3,606,014</u>	<u>\$ 1,263,405</u>	<u>\$ 11,105,954</u>
FUND BALANCES							
Restricted for:							
911 Emergency Services	-	-	-	-	-	15,259	15,259
Drug Education	-	-	-	-	-	1,680	1,680
Law Enforcement	-	-	-	-	-	17,160	17,160
Preservation of Records	-	-	-	-	-	14,608	14,608
Debt Service	-	-	-	-	-	301,471	301,471
Road & Bridge Maintenance	-	-	-	-	-	760,101	760,101
Coronavirus Relief & Assistance	-	-	-	-	3,606,014	20,138	3,626,152
Health Planning & Assistance	-	-	-	-	-	111,462	111,462
Aid and Assistance	-	-	-	-	-	16,254	16,254
Health and Dental Insurance	-	-	-	197,997	-	-	197,997
Committed to:							
Law Enforcement	-	-	-	-	-	7,132	7,132
Road Maintenance	-	203,629	-	-	-	-	203,629
Assigned to:							
Other Purposes	-	-	1,643,640	-	-	-	1,643,640
Unassigned	4,191,269	-	-	-	-	(1,860)	4,189,409
TOTAL CASH BASIS FUND BALANCES	<u>\$ 4,191,269</u>	<u>\$ 203,629</u>	<u>\$ 1,643,640</u>	<u>\$ 197,997</u>	<u>\$ 3,606,014</u>	<u>\$ 1,263,405</u>	<u>\$ 11,105,954</u>

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

DAKOTA COUNTY
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2022

	General Fund	Road Fund	Inheritance Fund	Insurance Fund	COVID American Rescue Plan Act Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS							
Taxes	\$ 7,404,502	\$ -	\$ 256,906	\$ -	\$ -	\$ 664,184	\$ 8,325,592
Licenses and Permits	128,778	200	-	-	-	-	128,978
Investment Income	42,410	-	-	47	8,663	-	51,120
Intergovernmental	1,107,493	1,580,577	-	-	1,944,908	415,344	5,048,322
Charges for Services	1,173,220	9,245	-	-	-	505,406	1,687,871
Miscellaneous	132,369	15,545	-	606,416	-	7,581	761,911
TOTAL RECEIPTS	<u>9,988,772</u>	<u>1,605,567</u>	<u>256,906</u>	<u>606,463</u>	<u>1,953,571</u>	<u>1,592,515</u>	<u>16,003,794</u>
DISBURSEMENTS							
General Government	2,235,557	-	-	1,787,302	292,700	9,904	4,325,463
Public Safety	5,099,007	-	-	-	-	468,249	5,567,256
Public Works	1,004,454	1,571,328	-	-	-	386,603	2,962,385
Health and Sanitation	346,470	-	-	-	-	121,699	468,169
Public Assistance	77,372	-	-	-	-	-	77,372
Culture and Recreation	3,985	-	-	-	-	241,322	245,307
Debt Service:							
Principal Payments	785,000	-	-	-	-	-	785,000
Interest and Fiscal Charges	110,510	-	-	-	-	-	110,510
Capital Outlay	-	-	-	-	-	430,561	430,561
TOTAL DISBURSEMENTS	<u>9,662,355</u>	<u>1,571,328</u>	<u>-</u>	<u>1,787,302</u>	<u>292,700</u>	<u>1,658,338</u>	<u>14,972,023</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>326,417</u>	<u>34,239</u>	<u>256,906</u>	<u>(1,180,839)</u>	<u>1,660,871</u>	<u>(65,823)</u>	<u>1,031,771</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	150,000	1,060,654	-	812,920	2,023,574
Transfers out	(1,522,652)	(117,957)	(105,000)	-	-	(277,965)	(2,023,574)
Proceeds from Sale of Bonds	470,308	-	-	-	-	-	470,308
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,052,344)</u>	<u>(117,957)</u>	<u>45,000</u>	<u>1,060,654</u>	<u>-</u>	<u>534,955</u>	<u>470,308</u>
Net Change in Fund Balances	(725,927)	(83,718)	301,906	(120,185)	1,660,871	469,132	1,502,079
CASH BASIS FUND BALANCES - BEGINNING	<u>4,917,196</u>	<u>287,347</u>	<u>1,341,734</u>	<u>318,182</u>	<u>1,945,143</u>	<u>794,273</u>	<u>9,603,875</u>
CASH BASIS FUND BALANCES - ENDING	<u>\$ 4,191,269</u>	<u>\$ 203,629</u>	<u>\$ 1,643,640</u>	<u>\$ 197,997</u>	<u>\$ 3,606,014</u>	<u>\$ 1,263,405</u>	<u>\$ 11,105,954</u>

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

DAKOTA COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
FIDUCIARY FUNDS
For the Year Ended June 30, 2022

	Custodial Fund Balances July 1, 2021	Receipts	Disbursements	Custodial Fund Balances June 30, 2022
ASSETS				
Cash and Cash Equivalents	\$ 1,570,693	\$ 42,035,010	\$ 42,101,128	\$ 1,504,575
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	422,189	4,959,571	4,885,651	496,109
State - Collected by Other Offices	28,884	222,219	239,710	11,393
Schools	459,225	23,984,399	23,927,725	515,899
Educational Service Units	4,892	307,608	307,741	4,759
Technical College	30,981	1,934,529	1,935,657	29,853
Natural Resource Districts	11,877	735,565	736,127	11,315
Fire Districts	2,745	288,115	287,170	3,690
Municipalities	156,656	6,629,758	6,666,683	119,731
Agricultural Society	2,422	146,002	146,190	2,234
Drainage Districts	49	100,610	100,297	362
Joint Public Agencies	31,335	13,979	13,573	31,741
Historical Society	615	37,750	37,784	581
Others - Collected by County Treasurer	37,817	1,136,963	1,174,094	686
Others - Collected by Other Offices	381,006	1,537,942	1,642,726	276,222
TOTAL LIABILITIES	1,570,693	42,035,010	42,101,128	1,504,575
TOTAL NET POSITION	\$ -	\$ -	\$ -	\$ -

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

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2022

1. **Summary of Significant Accounting Policies**

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

A. Reporting Entity

Dakota County, Nebraska, (County) is a governmental entity established under and governed by the laws of the State of Nebraska (State). The County is managed by county officials who are elected on a political ballot for four-year terms. As a political subdivision of the State, the County is exempt from State and Federal income taxes. The financial statements include all funds of the County that are not legally separate. The County has also considered all potential component units for which it is financially accountable, as well as other organizations that are either fiscally dependent on the County or maintain a significant relationship with the County, such that exclusion would be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the County to impose its will on that organization, or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County is also considered financially accountable if an organization is fiscally dependent on and there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

As required by Generally Accepted Accounting Principles (GAAP), these financial statements present the County (the primary government). No component units were identified.

Joint Organization.

Behavioral Health Region IV – 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 IV (Region) consists of the following counties: Cherry, Keya Paha, Boyd, Brown, Rock, Holt, Knox, Cedar, Dixon, Dakota, Thurston, Wayne, Pierce, Antelope, Boone, Nance, Madison, Stanton, Cuming, Burt, Colfax, and Platte.

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 \$42,440 toward the operation of the Region during fiscal year 2022. 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.

Law Enforcement Center – The County has entered into an agreement with the City of South Sioux City, Nebraska, to participate in a joint law enforcement center. Agreements were established under the authority of the Interlocal Cooperation Act to share the cost of construction, staffing, equipping, maintenance, and upkeep of the Law Enforcement Center. The Law Enforcement Center's governing board is established by the agreement and includes representatives from the participating county and municipality boards. Further,

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

combined services are regulated by the Joint Communications Committee established by the agreement. Funding is provided by a combination of state, local and private funding. Each entity contributes to the financial support of the Law Enforcement Center in accordance with the agreement. The County contributed \$599,070 toward the operation of the Center during the fiscal year 2022. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Law Enforcement Center is not a separate legal entity and both the City and County report their share of the activity in their respective financial statements

Dakota County Public Safety Services Agency - The County has entered into an agreement with Dakota City, Dakota Covington Rural Fire Protection District, Village of Homer, Homer Rural Fire Protection District, Village of Emerson, and Emerson Rural Fire Protection District to create a joint entity called the Dakota County Public Safety Services Agency (Agency). The joint entity was organized under the authority of the Interlocal Cooperation Act with the sole purpose of facilitating certain improvements to fire and other emergency protection services for each of its members. The Agency's governing board is established by the agreement and includes representatives for each participating political subdivision. The Agency's operations include the administration of sales and tax and bond proceeds in accordance with the provisions of the agreement. The County contributed \$376,308 of sales and use taxes to the Agency during fiscal year 2022. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Agency is a separate legal entity, and a separate audit of the Agency is available.

South Sioux City Convention and Visitors Bureau - The County has entered into a contract with the South Sioux City Convention and Visitors Bureau, Incorporated (Bureau) to carry out the purpose Nebraska Visitors' Development Act. The Bureau provides convention and tourism promotional activities and services in the County. The County levies and collects a lodging tax to subsidize the Bureau operations. The County contributed \$21,244 of lodging taxes collected to the Bureau during fiscal year 2022. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Bureau is a separate legal entity organized as a 501 (c)(3) not-for-profit.

B. Basis of Presentation

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

Restricted. This category results when constraints are externally imposed on net asset use by creditors, grantors, or contributors, or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources as they are needed.

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

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

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.

The County reports the following major governmental funds:

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

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

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

Insurance Fund. This fund is used to account for the costs of insurance premiums and claims and is primarily funded by County and employee payroll deductions, and reinsurance reimbursements.

COVID American Rescue Plan Act Fund. This fund is used to account for aid received from the American Rescue Plan Act and is used for coronavirus aid and assistance in accordance with Federal guidelines.

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.

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

Capital Project Fund. The Jail Correctional Complex Fund accounts for transfer of Federal prisoner charges from the Jail Bond Fund, and the expenditures of such funds for the purpose of acquiring or repairing jail facilities. This fund is used strictly for the construction or acquisition of a jail facility.

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

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

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

D. **Assets and Net Position**

Cash and Cash Equivalents. The County's cash and cash equivalents are considered to be cash on hand, certificates of deposits, 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 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.

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Concluded)

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 \$5,062,144 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 and County Budget Act of 1937. The budget is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those receipts actually received by the County Treasurer. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.

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

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.

Deficit fund balance. The Health Disparity Fund had a deficit fund balance of \$1,860 as of June 30, 2022. The deficit balance is the result of actual receipts being less than expected. The County plans to use future grant reimbursements proceeds to cover the deficit or a transfer of funds if future grant reimbursements are insufficient.

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).

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

2. **Deposits and Investments** (Concluded)

At year end, the County's carrying amount of deposits was \$11,105,929 for County funds and \$1,504,575 for Fiduciary funds. The bank balances for all funds totaled \$14,086,338. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2022, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$25 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a nine-member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

3. **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 2021, for the 2021 taxes, which will be materially collected in May and September 2022, was set at \$.348739/\$100 of assessed valuation. The levy set in October 2020, for the 2020 taxes, which were materially collected in May and September 2021, was set at \$.366511/\$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.

The tax receipts classification also contains collections from the assessment of inheritance taxes, 911 surcharges, County sales tax, and lodging taxes.

4. **Retirement System**

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2012, Cum. Supp. 2020, 2022 Neb. Laws LB 700, §§ 1-3) 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.

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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, 2022, 126 employees contributed \$233,480, and the County contributed \$344,380. Contributions included \$11,680 in cash contributions towards the supplemental law enforcement plan for 22 law enforcement employees. Lastly, the County paid \$692 directly to 13 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 106 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 the county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the pool incurred during the county's period of membership.

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

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

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Risk Management (Concluded)

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.

The County self-insures for employee health and dental insurance and has contracted with Mid-American Benefits, LLC to administer the County's self-insured plan. Details of the coverage are available upon request from the County Clerk. The self-insured plan is funded through a combination of employee and County contributions, dividends, interest, and reinsurance reimbursements. The activity of the plan is reflected in the County's financial statements under the Insurance Fund. No settlements exceeded coverage in any of the past three fiscal years. The County obtained stop loss coverage to limit the County's total exposure to \$50,000 per covered member per year for the health insurance plan through February 2022, which increased to \$60,000 per covered member per year through February 2023.

6. Interfund Transfers

Interfund transfers for the year ended June 30, 2022, consisted of the following:

Transfers to	Transfers from				Total
	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	
Inheritance Fund	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ 150,000
Insurance Fund	914,637	117,957	-	28,060	1,060,654
Nonmajor Funds	608,015	-	5,000	199,905	812,920
Total	<u>\$ 1,522,652</u>	<u>\$ 117,957</u>	<u>\$ 105,000</u>	<u>\$ 277,965</u>	<u>\$ 2,023,574</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, 2022, the County made a one-time transfer of \$50,000 from the Coronavirus Emergency Supplemental Funding Grant Fund to the Inheritance Fund to reimburse the Inheritance Fund for a previous transfer made in fiscal year 2021. Further, the County made a one-time transfer of \$199,905 from the Jail Bond Fund to the Jail Correctional Complex Fund to pay the costs of the jail expansion project. Lastly, the County made monthly transfers from the General Fund for \$914,637, Road Fund for \$117,957, Juvenile Service Aid Fund for \$11,508, Health Planning Grant Fund for \$11,508, and Minority Health Initiative Grant Fund for \$5,044, to the Insurance Fund for the County's share of Health Insurance premiums.

7. Long-Term Obligations

Lease-Purchase Agreements

Changes to the commitments under a lease agreement for equipment and amounts to provide for annual rental payments are as follows:

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

7. **Long-Term Obligations** (Continued)

	Motor Graders	Sheriff Vehicles	Two-Way Radios	Total
Balance July 1, 2021	\$ 363,894	\$ 255,749	\$ 111,443	\$ 731,086
Purchases	393,710	109,972	-	503,682
Payments	114,531	140,380	31,111	286,022
Balance June 30, 2022	<u>\$ 643,073</u>	<u>\$ 225,341</u>	<u>\$ 80,332</u>	<u>\$ 948,746</u>
Future Payments:				
Year				
2023	\$ 183,699	\$ 143,828	\$ 33,030	\$ 360,557
2024	156,942	67,735	33,030	257,707
2025	156,942	17,328	16,515	190,785
2026	124,390	-	-	124,390
2027	45,920	-	-	45,920
Total Payments	<u>667,893</u>	<u>228,891</u>	<u>82,575</u>	<u>979,359</u>
Less Interest	<u>24,820</u>	<u>3,550</u>	<u>2,243</u>	<u>30,613</u>
Present Value of Future Minimum Lease Payments	<u>\$ 643,073</u>	<u>\$ 225,341</u>	<u>\$ 80,332</u>	<u>\$ 948,746</u>
Carrying Value of the Related Fixed Asset	<u>\$ 966,312</u>	<u>\$ 486,413</u>	<u>\$ 199,977</u>	<u>\$ 1,652,702</u>

Bonds

Highway Allocation Bond 1. The County issued bonds on May 24, 2012, in the amount of \$1,330,000 for the purpose of paying the costs in connection with the construction of improvements to roads in the County. On October 31, 2017, Reissue 2017 bonds were issued in the amount of \$1,265,000 for the purpose of refunding the 2012 bonds. The bond payable balance, as of June 30, 2022, was \$1,090,000. 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
2023	\$ 90,000	\$ 26,300	\$ 116,300
2024	95,000	24,679	119,679
2025	100,000	22,800	122,800
2026	100,000	20,700	120,700
2027	100,000	18,400	118,400
2028-2033	605,000	53,650	658,650
Total Payments	<u>\$ 1,090,000</u>	<u>\$ 166,529</u>	<u>\$ 1,256,529</u>

Highway Allocation Bond 2. The County issued bonds on February 17, 2015, in the amount of \$1,470,000 for the purpose of paying the costs of the construction of improvements to roads in the County. The bond payable balance, as of June 30, 2022, was \$1,090,000. 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.

DAKOTA COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

7. Long-Term Obligations (Concluded)

Future Payments:

Year	Principal	Interest	Total
2023	\$ 65,000	\$ 29,248	\$ 94,248
2024	65,000	28,029	93,029
2025	70,000	26,660	96,660
2026	70,000	25,137	95,137
2027	70,000	23,493	93,493
2028-2032	390,000	87,222	477,222
2033-2036	360,000	23,520	383,520
Total Payments	<u>\$ 1,090,000</u>	<u>\$ 243,309</u>	<u>\$ 1,333,309</u>

Veterans' Drive Bond. The County issued bonds on June 6, 2016, in the amount of \$850,000 for the purpose of paying the costs of the construction of improvements to roads in the County. On July 26, 2021, Reissue 2021 bonds were issued in the amount of \$475,000 for the purpose of refunding the 2016 bonds. The bond payable balance, as of June 30, 2022, was \$455,000. 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
2023	\$ 90,000	\$ 2,102	\$ 92,102
2024	90,000	1,742	91,742
2025	90,000	1,383	91,383
2026	90,000	910	90,910
2027	95,000	309	95,309
Total Payments	<u>\$ 455,000</u>	<u>\$ 6,446</u>	<u>\$ 461,446</u>

County Road Bond. The County issued bonds on June 20, 2019, in the amount of \$1,500,000 for the purpose of paying the costs of constructing and reconstructing certain road improvements within the County related to extreme flooding. The bond payable balance, as of June 30, 2022, was \$1,240,000. 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
2023	\$ 90,000	\$ 32,408	\$ 122,408
2024	90,000	30,743	120,743
2025	95,000	29,078	124,078
2026	95,000	26,750	121,750
2027	100,000	24,423	124,423
2028-2032	535,000	82,745	617,745
2033-2037	235,000	10,650	245,650
Total Payments	<u>\$ 1,240,000</u>	<u>\$ 236,797</u>	<u>\$ 1,476,797</u>

8. 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.

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 7,526,681	\$ 7,526,681	\$ 7,404,502	\$ (122,179)
Licenses and Permits	93,500	93,500	128,778	35,278
Investment Income	40,000	40,000	42,410	2,410
Intergovernmental	585,343	585,343	1,107,493	522,150
Charges for Services	764,787	764,787	1,173,220	408,433
Miscellaneous	123,137	123,137	132,369	9,232
TOTAL RECEIPTS	9,133,448	9,133,448	9,988,772	855,324
DISBURSEMENTS				
General Government:				
County Board	168,691	178,691	166,236	12,455
County Clerk	198,934	198,934	165,389	33,545
County Treasurer	410,551	420,551	338,892	81,659
Register of Deeds	52,150	52,650	40,998	11,652
County Assessor	369,772	369,772	266,467	103,305
Election Commissioner	40,755	40,755	40,274	481
Building and Zoning	13,579	14,129	14,063	66
Clerk of the District Court	147,005	147,005	122,121	24,884
County Court System	21,425	21,425	13,828	7,597
District Judge	6,055	6,055	3,012	3,043
Public Defender	254,787	254,787	142,126	112,661
Building and Grounds	189,634	189,634	158,340	31,294
Agricultural Extension Agent	75,700	75,700	60,831	14,869
Data Processing Department	119,450	119,450	99,778	19,672
Legal Services	256,500	256,500	255,264	1,236
Child Support	51,389	51,389	38,084	13,305
Miscellaneous	1,341,536	1,341,536	309,854	1,031,682
Public Safety				
County Sheriff	1,919,846	1,919,846	1,651,418	268,428
County Attorney	565,386	565,386	406,490	158,896
Communication Center	643,963	643,963	599,070	44,893
County Jail	2,874,761	2,874,761	2,300,779	573,982
Emergency Management	84,274	84,274	63,092	21,182
Law Enforcement Grant	57,500	57,500	24,432	33,068
District Probation Office	55,000	55,000	53,726	1,274

(Continued)

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DISBURSEMENTS (Continued)				
Public Works				
County Surveyor	15,000	15,000	3,090	11,910
Noxious Weed Control	17,195	17,195	9,364	7,831
Highway Department	67,555	67,555	55,708	11,847
Miscellaneous	199,978	199,978	936,292	(736,314)
Public Health				
County Health Department	838,639	838,639	346,470	492,169
Public Assistance				
Veterans' Service Officer	83,058	90,058	77,372	12,686
Miscellaneous	3,535	3,535	-	3,535
Culture and Recreation				
County Law Library	4,200	4,200	3,985	215
Debt Service				
Principal Payments	840,000	840,000	785,000	55,000
Interest and Charges	89,993	89,993	110,510	(20,517)
TOTAL DISBURSEMENTS	<u>12,077,796</u>	<u>12,105,846</u>	<u>9,662,355</u>	<u>2,443,491</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(2,944,348)</u>	<u>(2,972,398)</u>	<u>326,417</u>	<u>3,298,815</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	257,438	257,438	-	(257,438)
Transfers out	(626,286)	(626,286)	(1,522,652)	(896,366)
Proceeds from Sale of Bonds	<u>500,000</u>	<u>500,000</u>	<u>470,308</u>	<u>(29,692)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>131,152</u>	<u>131,152</u>	<u>(1,052,344)</u>	<u>(1,183,496)</u>
Net Change in Fund Balance	(2,813,196)	(2,841,246)	(725,927)	2,115,319
FUND BALANCE - BEGINNING	<u>4,913,196</u>	<u>4,913,196</u>	<u>4,917,196</u>	<u>4,000</u>
FUND BALANCE - ENDING	<u><u>\$ 2,100,000</u></u>	<u><u>\$ 2,071,950</u></u>	<u><u>\$ 4,191,269</u></u>	<u><u>\$ 2,119,319</u></u>

(Concluded)

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Licenses and Permits	\$ 300	\$ 300	\$ 200	\$ (100)
Intergovernmental	1,530,801	1,530,801	1,580,577	49,776
Charges for Services	7,500	7,500	9,245	1,745
Miscellaneous	2,000	2,000	15,545	13,545
TOTAL RECEIPTS	1,540,601	1,540,601	1,605,567	64,966
DISBURSEMENTS	2,069,234	2,069,234	1,571,328	497,906
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(528,633)	(528,633)	34,239	562,872
OTHER FINANCING SOURCES (USES)				
Transfers in	241,286	241,286	-	(241,286)
Transfers out	-	-	(117,957)	(117,957)
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	241,286	241,286	(117,957)	(359,243)
Net Change in Fund Balance	(287,347)	(287,347)	(83,718)	203,629
FUND BALANCE - BEGINNING	287,347	287,347	287,347	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 203,629	\$ 203,629
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 550,500	\$ 550,500	\$ 256,906	\$ (293,594)
TOTAL RECEIPTS	550,500	550,500	256,906	(293,594)
DISBURSEMENTS	1,837,554	1,837,554	-	1,837,554
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(1,287,054)	(1,287,054)	256,906	1,543,960
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	150,000	150,000
Transfers out	(54,680)	(54,680)	(105,000)	(50,320)
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(54,680)	(54,680)	45,000	99,680
Net Change in Fund Balance	(1,341,734)	(1,341,734)	301,906	1,643,640
FUND BALANCE - BEGINNING	1,341,734	1,341,734	1,341,734	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 1,643,640	\$ 1,643,640

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
INSURANCE FUND				
RECEIPTS				
Investment Income	\$ 50	\$ 50	\$ 47	\$ (3)
Miscellaneous	1,121,414	1,121,414	606,416	(514,998)
TOTAL RECEIPTS	1,121,464	1,121,464	606,463	(515,001)
DISBURSEMENTS	1,439,646	2,039,646	1,787,302	252,344
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(318,182)	(918,182)	(1,180,839)	(262,657)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	600,000	1,060,654	460,654
Transfers out	-	-	-	-
Proceeds from Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	600,000	1,060,654	460,654
Net Change in Fund Balance	(318,182)	(318,182)	(120,185)	197,997
FUND BALANCE - BEGINNING	318,182	318,182	318,182	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 197,997	\$ 197,997

**COVID AMERICAN RESCUE PLAN ACT
FUND**

RECEIPTS				
Investment Income	\$ 10,000	\$ 10,000	\$ 8,663	\$ (1,337)
Intergovernmental	1,944,908	1,944,908	1,944,908	-
TOTAL RECEIPTS	1,954,908	1,954,908	1,953,571	(1,337)
DISBURSEMENTS	3,900,051	3,900,051	292,700	3,607,351
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(1,945,143)	(1,945,143)	1,660,871	3,606,014
Net Change in Fund Balance	(1,945,143)	(1,945,143)	1,660,871	3,606,014
FUND BALANCE - BEGINNING	1,945,143	1,945,143	1,945,143	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 3,606,014	\$ 3,606,014

(Concluded)

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HARD SURFACE ROAD FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(21,524)	(21,524)	-	21,524
Net Change in Fund Balance	(21,524)	(21,524)	-	21,524
Fund Balance - Beginning	21,524	21,524	21,524	-
Fund Balance - Ending	\$ -	\$ -	\$ 21,524	\$ 21,524

**HIGHWAY STREET BUYBACK PROGRAM
FUND**

Receipts	\$ 78,341	\$ 78,341	\$ 78,460	\$ 119
Disbursements	(471,450)	(471,450)	(1,663)	469,787
Net Change in Fund Balance	(393,109)	(393,109)	76,797	469,906
Fund Balance - Beginning	393,109	393,109	393,109	-
Fund Balance - Ending	\$ -	\$ -	\$ 469,906	\$ 469,906

**HIGHWAY BRIDGE BUYBACK PROGRAM
FUND**

Receipts	\$ 64,778	\$ 64,778	\$ 64,777	\$ (1)
Disbursements	(290,196)	(290,196)	-	290,196
Net Change in Fund Balance	(225,418)	(225,418)	64,777	290,195
Fund Balance - Beginning	225,418	225,418	225,418	-
Fund Balance - Ending	\$ -	\$ -	\$ 290,195	\$ 290,195

ROAD IMPROVEMENT FUND

Receipts	\$ -	\$ -	\$ 7,581	\$ 7,581
Disbursements	(385,000)	(385,000)	(384,940)	60
Transfers in	385,000	385,000	377,359	(7,641)
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

VISITORS' PROMOTION FUND

Receipts	\$ 275,000	\$ 275,000	\$ 241,322	\$ (33,678)
Disbursements	(275,000)	(275,000)	(241,322)	33,678
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REGISTER OF DEEDS PRESERVATION & MODERNIZATION FUND				
Receipts	\$ 15,000	\$ 15,000	\$ 11,918	\$ (3,082)
Disbursements	(27,127)	(27,127)	(9,437)	17,690
Net Change in Fund Balance	(12,127)	(12,127)	2,481	14,608
Fund Balance - Beginning	12,127	12,127	12,127	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,608</u>	<u>\$ 14,608</u>
STOP FUND				
Receipts	\$ 3,668	\$ 3,668	\$ 800	\$ (2,868)
Disbursements	(10,000)	(10,000)	-	10,000
Net Change in Fund Balance	(6,332)	(6,332)	800	7,132
Fund Balance - Beginning	6,332	6,332	6,332	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,132</u>	<u>\$ 7,132</u>
COUNTY DRUG LAW ENFORCEMENT & EDUCATION FUND				
Receipts	\$ 8,320	\$ 8,320	\$ -	\$ (8,320)
Disbursements	(10,000)	(10,000)	-	10,000
Net Change in Fund Balance	(1,680)	(1,680)	-	1,680
Fund Balance - Beginning	1,680	1,680	1,680	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,680</u>	<u>\$ 1,680</u>
FEDERAL DRUG LAW ENFORCEMENT FUND				
Receipts	\$ 7,408	\$ 7,408	\$ -	\$ (7,408)
Disbursements	(15,000)	(15,000)	-	15,000
Net Change in Fund Balance	(7,592)	(7,592)	-	7,592
Fund Balance - Beginning	7,592	7,592	7,592	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,592</u>	<u>\$ 7,592</u>
CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING GRANT FUND				
Receipts	\$ -	\$ -	\$ 44,815	\$ 44,815
Disbursements	(59,865)	(59,865)	-	59,865
Transfers in	54,680	54,680	-	(54,680)
Transfers out	-	-	(50,000)	(50,000)
Net Change in Fund Balance	(5,185)	(5,185)	(5,185)	-
Fund Balance - Beginning	5,185	5,185	5,185	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HEALTH PLANNING GRANT FUND				
Receipts	\$ 57,258	\$ 57,258	\$ 78,158	\$ 20,900
Disbursements	(111,594)	(111,594)	(53,193)	58,401
Net Change in Fund Balance	(54,336)	(54,336)	13,457	67,793
Fund Balance - Beginning	54,336	54,336	54,336	-
Fund Balance - Ending	\$ -	\$ -	\$ 67,793	\$ 67,793
HEALTH DISPARITY FUND				
Receipts	\$ 105,588	\$ 105,588	\$ 3,291	\$ (102,297)
Disbursements	(60,588)	(60,588)	(10,151)	50,437
Transfers in	-	-	5,000	5,000
Transfers out	(45,000)	(45,000)	-	45,000
Net Change in Fund Balance	-	-	(1,860)	(1,860)
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ (1,860)	\$ (1,860)
MINORITY HEALTH INITIATIVE GRANT FUND				
Receipts	\$ 125,443	\$ 125,443	\$ 67,759	\$ (57,684)
Disbursements	(130,837)	(130,837)	(46,164)	84,673
Transfers in	-	-	-	-
Transfers out	(21,724)	(21,724)	(5,044)	16,680
Net Change in Fund Balance	(27,118)	(27,118)	16,551	43,669
Fund Balance - Beginning	27,118	27,118	27,118	-
Fund Balance - Ending	\$ -	\$ -	\$ 43,669	\$ 43,669
LAW ENFORCEMENT EQUIPMENT GRANT FUND				
Receipts	\$ 2,932	\$ 2,932	\$ -	\$ (2,932)
Disbursements	(10,000)	(10,000)	-	10,000
Net Change in Fund Balance	(7,068)	(7,068)	-	7,068
Fund Balance - Beginning	7,068	7,068	7,068	-
Fund Balance - Ending	\$ -	\$ -	\$ 7,068	\$ 7,068

(Continued)

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CRIME COMMISSION ENHANCEMENT GRANT FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(2,500)	(2,500)	-	2,500
Net Change in Fund Balance	(2,500)	(2,500)	-	2,500
Fund Balance - Beginning	2,500	2,500	2,500	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
JUVENILE SERVICE AID FUND				
Receipts	\$ 87,115	\$ 87,115	\$ 58,591	\$ (28,524)
Disbursements	(107,553)	(107,553)	(51,267)	56,286
Net Change in Fund Balance	(20,438)	(20,438)	(4,184)	16,254
Fund Balance - Beginning	20,438	20,438	20,438	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,254</u>	<u>\$ 16,254</u>
DCHD COVID 19 ACTIVITES FUND				
Receipts	\$ 248,500	\$ 248,500	\$ 32,329	\$ (216,171)
Disbursements	(60,286)	(60,286)	(12,191)	48,095
Transfers in	-	-	-	-
Transfers out	(188,214)	(188,214)	-	188,214
Net Change in Fund Balance	-	-	20,138	20,138
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,138</u>	<u>\$ 20,138</u>
E-911 EMERGENCY MANAGEMENT FUND				
Receipts	\$ 50,000	\$ 50,000	\$ 46,554	\$ (3,446)
Disbursements	(59,379)	(59,379)	(40,674)	18,705
Net Change in Fund Balance	(9,379)	(9,379)	5,880	15,259
Fund Balance - Beginning	9,379	9,379	9,379	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,259</u>	<u>\$ 15,259</u>
PUBLIC SAFETY SALES TAX FUND				
Receipts	\$ 750,000	\$ 750,000	\$ 376,308	\$ (373,692)
Disbursements	(750,000)	(750,000)	(376,308)	373,692
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAKOTA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HUNT MEMORIAL FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(467)	(467)	(467)	-
Net Change in Fund Balance	(467)	(467)	(467)	-
Fund Balance - Beginning	467	467	467	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
JAIL BOND FUND				
Receipts	\$ -	\$ -	\$ 479,852	\$ 479,852
Disbursements	(400,000)	(400,000)	-	400,000
Transfers in	400,000	400,000	-	(400,000)
Transfers out	-	-	(199,905)	(199,905)
Net Change in Fund Balance	-	-	279,947	279,947
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 279,947</u>	<u>\$ 279,947</u>
JAIL CORRECTIONAL COMPLEX FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(11,600,000)	(11,600,000)	(430,561)	11,169,439
Transfers in	-	-	430,561	430,561
Transfers out	(400,000)	(400,000)	-	400,000
Proceeds from Sale of Bonds	12,000,000	12,000,000	-	(12,000,000)
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Concluded)

DAKOTA COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Hard Surface Road Fund	Highway Street Buyback Program Fund	Highway Bridge Buyback Program Fund	Road Improvement Fund	Visitors' Promotion Fund	Register of Deeds Preservation & Modernization Fund
RECEIPTS						
Taxes	\$ -	\$ -	\$ -	\$ -	\$241,322	\$ -
Intergovernmental	-	78,460	64,777	-	-	-
Charges for Services	-	-	-	-	-	11,918
Miscellaneous	-	-	-	7,581	-	-
TOTAL RECEIPTS	<u>-</u>	<u>78,460</u>	<u>64,777</u>	<u>7,581</u>	<u>241,322</u>	<u>11,918</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	9,437
Public Safety	-	-	-	-	-	-
Public Works	-	1,663	-	384,940	-	-
Health and Sanitation	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	241,322	-
Capital Outlay	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>1,663</u>	<u>-</u>	<u>384,940</u>	<u>241,322</u>	<u>9,437</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>-</u>	<u>76,797</u>	<u>64,777</u>	<u>(377,359)</u>	<u>-</u>	<u>2,481</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	377,359	-	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>377,359</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	76,797	64,777	-	-	2,481
FUND BALANCES - BEGINNING	<u>21,524</u>	<u>393,109</u>	<u>225,418</u>	<u>-</u>	<u>-</u>	<u>12,127</u>
FUND BALANCES - ENDING	<u>\$21,524</u>	<u>\$ 469,906</u>	<u>\$290,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,608</u>
FUND BALANCES:						
Restricted for:						
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	14,608
Debt Service	21,524	-	-	-	-	-
Road & Bridge Maintenance	-	469,906	290,195	-	-	-
Coronavirus Relief & Assistance	-	-	-	-	-	-
Health Planning & Assistance	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$21,524</u>	<u>\$ 469,906</u>	<u>\$290,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,608</u>

DAKOTA COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	STOP Fund	County Drug Law Enforcement & Education Fund	Federal Drug Law Enforcement Fund	Coronavirus Emergency Supplemental Funding Grant Fund	Health Planning Grant Fund	Health Disparity Fund
RECEIPTS						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	44,815	77,849	3,291
Charges for Services	800	-	-	-	309	-
Miscellaneous	-	-	-	-	-	-
TOTAL RECEIPTS	<u>800</u>	<u>-</u>	<u>-</u>	<u>44,815</u>	<u>78,158</u>	<u>3,291</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	53,193	10,151
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,193</u>	<u>10,151</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>800</u>	<u>-</u>	<u>-</u>	<u>44,815</u>	<u>24,965</u>	<u>(6,860)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	5,000
Transfers out	-	-	-	(50,000)	(11,508)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(11,508)</u>	<u>5,000</u>
Net Change in Fund Balances	800	-	-	(5,185)	13,457	(1,860)
FUND BALANCES - BEGINNING	<u>6,332</u>	<u>1,680</u>	<u>7,592</u>	<u>5,185</u>	<u>54,336</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 7,132</u>	<u>\$ 1,680</u>	<u>\$ 7,592</u>	<u>\$ -</u>	<u>\$ 67,793</u>	<u>\$ (1,860)</u>
FUND BALANCES:						
Restricted for:						
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	1,680	-	-	-	-
Law Enforcement	-	-	7,592	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road & Bridge Maintenance	-	-	-	-	-	-
Coronavirus Relief & Assistance	-	-	-	-	-	-
Health Planning & Assistance	-	-	-	-	67,793	-
Aid and Assistance	-	-	-	-	-	-
Committed to:						
Law Enforcement	7,132	-	-	-	-	-
Unassigned	-	-	-	-	-	(1,860)
TOTAL FUND BALANCES	<u>\$ 7,132</u>	<u>\$ 1,680</u>	<u>\$ 7,592</u>	<u>\$ -</u>	<u>\$ 67,793</u>	<u>\$ (1,860)</u>

DAKOTA COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Minority Health Initiative Grant Fund	Law Enforcement Equipment Grant Fund	Crime Commission Enhancement Grant Fund	Juvenile Service Aid Fund	DCHD Covid 19 Activites Fund	E-911 Emergency Management Fund
RECEIPTS						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,554
Intergovernmental	55,232	-	-	58,591	32,329	-
Charges for Services	12,527	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
TOTAL RECEIPTS	<u>67,759</u>	<u>-</u>	<u>-</u>	<u>58,591</u>	<u>32,329</u>	<u>46,554</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	51,267	-	40,674
Public Works	-	-	-	-	-	-
Health and Sanitation	46,164	-	-	-	12,191	-
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>46,164</u>	<u>-</u>	<u>-</u>	<u>51,267</u>	<u>12,191</u>	<u>40,674</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>21,595</u>	<u>-</u>	<u>-</u>	<u>7,324</u>	<u>20,138</u>	<u>5,880</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(5,044)	-	-	(11,508)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(5,044)</u>	<u>-</u>	<u>-</u>	<u>(11,508)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	16,551	-	-	(4,184)	20,138	5,880
FUND BALANCES - BEGINNING	<u>27,118</u>	<u>7,068</u>	<u>2,500</u>	<u>20,438</u>	<u>-</u>	<u>9,379</u>
FUND BALANCES - ENDING	<u>\$43,669</u>	<u>\$ 7,068</u>	<u>\$ 2,500</u>	<u>\$16,254</u>	<u>\$20,138</u>	<u>\$ 15,259</u>
FUND BALANCES:						
Restricted for:						
911 Emergency Services	-	-	-	-	-	15,259
Drug Education	-	-	-	-	-	-
Law Enforcement	-	7,068	2,500	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road & Bridge Maintenance	-	-	-	-	-	-
Coronavirus Relief & Assistance	-	-	-	-	20,138	-
Health Planning & Assistance	43,669	-	-	-	-	-
Aid and Assistance	-	-	-	16,254	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$43,669</u>	<u>\$ 7,068</u>	<u>\$ 2,500</u>	<u>\$16,254</u>	<u>\$20,138</u>	<u>\$ 15,259</u>

DAKOTA COUNTY
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
NONMAJOR FUNDS

For the Year Ended June 30, 2022

	Public Safety Tax Fund	Hunt Memorial Fund	Jail Bond Fund	Jail Correctional Complex Fund	Total Nonmajor Funds
RECEIPTS					
Taxes	\$ 376,308	\$ -	\$ -	\$ -	\$ 664,184
Intergovernmental	-	-	-	-	415,344
Charges for Services	-	-	479,852	-	505,406
Miscellaneous	-	-	-	-	7,581
TOTAL RECEIPTS	<u>376,308</u>	<u>-</u>	<u>479,852</u>	<u>-</u>	<u>1,592,515</u>
DISBURSEMENTS					
General Government	-	467	-	-	9,904
Public Safety	376,308	-	-	-	468,249
Public Works	-	-	-	-	386,603
Health and Sanitation	-	-	-	-	121,699
Culture and Recreation	-	-	-	-	241,322
Capital Outlay	-	-	-	430,561	430,561
TOTAL DISBURSEMENTS	<u>376,308</u>	<u>467</u>	<u>-</u>	<u>430,561</u>	<u>1,658,338</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>-</u>	<u>(467)</u>	<u>479,852</u>	<u>(430,561)</u>	<u>(65,823)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	430,561	812,920
Transfers out	-	-	(199,905)	-	(277,965)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(199,905)</u>	<u>430,561</u>	<u>534,955</u>
Net Change in Fund Balances	-	(467)	279,947	-	469,132
FUND BALANCES - BEGINNING	<u>-</u>	<u>467</u>	<u>-</u>	<u>-</u>	<u>794,273</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 279,947</u>	<u>\$ -</u>	<u>\$ 1,263,405</u>
FUND BALANCES:					
Restricted for:					
911 Emergency Services	-	-	-	-	15,259
Drug Education	-	-	-	-	1,680
Law Enforcement	-	-	-	-	17,160
Preservation of Records	-	-	-	-	14,608
Debt Service	-	-	279,947	-	301,471
Road & Bridge Maintenance	-	-	-	-	760,101
Coronavirus Relief & Assistance	-	-	-	-	20,138
Health Planning & Assistance	-	-	-	-	111,462
Aid and Assistance	-	-	-	-	16,254
Committed to:					
Law Enforcement	-	-	-	-	7,132
Unassigned	-	-	-	-	(1,860)
TOTAL FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 279,947</u>	<u>\$ -</u>	<u>\$ 1,263,405</u>

DAKOTA COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2022

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	Highway Superintendent	Veterans' Service Officer	County Extension	County Health Department	County Planning and Zoning	County Jail	Total
BALANCES JULY 1, 2021	\$ 382	\$ 40,147	\$ 325,844	\$ 27,739	\$ 100	\$ 12,012	\$ 3,241	\$ -	\$ -	\$ 117,171	\$ 526,636
RECEIPTS											
Licenses and Permits	3,225	-	-	750	200	-	-	-	7,055	-	11,230
Intergovernmental	-	-	-	-	-	-	-	411,811	-	-	411,811
Charges for Services	3,043	143,936	71,673	88,923	-	-	-	4,118	-	147,534	459,227
Miscellaneous	-	-	-	-	19,424	9,000	-	8,124	-	45	36,593
State Fees	-	183,895	38,324	-	-	-	-	-	-	-	222,219
Other Liabilities	-	-	392,844	1,655	-	-	-	-	-	1,143,443	1,537,942
TOTAL RECEIPTS	6,268	327,831	502,841	91,328	19,624	9,000	-	424,053	7,055	1,291,022	2,679,022
DISBURSEMENTS											
Payments to County Treasurer	6,066	149,676	80,530	89,016	19,614	-	-	424,053	7,055	145,444	921,454
Payments to State Treasurer	-	199,574	40,136	-	-	-	-	-	-	-	239,710
Petty Cash & Other Payments	-	-	-	-	10	10,983	-	-	-	45	11,038
Other Liabilities	-	-	465,597	1,392	-	-	-	-	-	1,175,737	1,642,726
TOTAL DISBURSEMENTS	6,066	349,250	586,263	90,408	19,624	10,983	-	424,053	7,055	1,321,226	2,814,928
BALANCES JUNE 30, 2022	\$ 584	\$ 18,728	\$ 242,422	\$ 28,659	\$ 100	\$ 10,029	\$ 3,241	\$ -	\$ -	\$ 86,967	\$ 390,730
BALANCES CONSIST OF:											
Due to County Treasurer	\$ 584	\$ 9,782	\$ 3,964	\$ 27,884	\$ -	\$ 10,029	\$ -	\$ -	\$ -	\$ 18,981	\$ 71,224
Petty Cash	-	-	50	500	100	-	3,241	-	-	28,000	31,891
Due to State Treasurer	-	8,946	2,447	-	-	-	-	-	-	-	11,393
Due to Others	-	-	235,961	275	-	-	-	-	-	39,986	276,222
BALANCES JUNE 30, 2022	\$ 584	\$ 18,728	\$ 242,422	\$ 28,659	\$ 100	\$ 10,029	\$ 3,241	\$ -	\$ -	\$ 86,967	\$ 390,730

DAKOTA COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2022

Item	2017	2018	2019	2020	2021
Tax Certified by Assessor					
Real Estate	\$ 28,224,843	\$ 30,529,699	\$ 29,863,740	\$ 30,315,500	\$ 31,013,909
Personal and Specials	2,385,090	2,297,209	2,379,351	2,923,162	3,338,505
Total	<u>30,609,933</u>	<u>32,826,908</u>	<u>32,243,091</u>	<u>33,238,662</u>	<u>34,352,414</u>
Corrections					
Additions	29,606	15,980	11,009	9,858	2,410
Deductions	(120,141)	(157,372)	(74,258)	(31,293)	(4,408)
Net Additions/ (Deductions)	<u>(90,535)</u>	<u>(141,392)</u>	<u>(63,249)</u>	<u>(21,435)</u>	<u>(1,998)</u>
Corrected Certified Tax	<u>30,519,398</u>	<u>32,685,516</u>	<u>32,179,842</u>	<u>33,217,227</u>	<u>34,350,416</u>
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2018	18,280,842	-	-	-	-
June 30, 2019	12,211,529	19,146,267	-	-	-
June 30, 2020	13,507	13,183,180	18,278,396	-	-
June 30, 2021	8,807	7,749	13,555,435	19,789,396	-
June 30, 2022	725	1,692	4,750	13,080,328	22,397,051
Total Net Collections	<u>30,515,410</u>	<u>32,338,888</u>	<u>31,838,581</u>	<u>32,869,724</u>	<u>22,397,051</u>
Total Uncollected Tax	<u>\$ 3,988</u>	<u>\$ 346,628</u>	<u>\$ 341,261</u>	<u>\$ 347,503</u>	<u>\$ 11,953,365</u>
Percentage Uncollected Tax	<u>0.01%</u>	<u>1.06%</u>	<u>1.06%</u>	<u>1.05%</u>	<u>34.80%</u>

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

DAKOTA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing	Pass-Through Entity Identifying Number	Total Federal Expenditures
DEPARTMENT OF JUSTICE			
Bulletproof Vest Partnership Program	16.067	Not applicable	1,709
Total U.S. Department of Justice			<u>1,709</u>
DEPARTMENT OF HOMELAND SECURITY			
Passed through Nebraska Military Department			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	043-04407-00 *	278,430
Emergency Management Performance Grants	97.042	21-SR 8706-01	40,021
Total U.S. Department of Homeland Security			<u>318,451</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Nebraska Department of Health and Human Services			
Public Health Emergency Preparedness	93.069	57175 Y3	58,769
Injury Prevention and Control Research and State and Community Based Programs	93.136	52983 Y3, 60094 Y3	28,300
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	52937 Y3, 66197 Y3	3,721
Immunization Cooperative Agreements	93.268	625701 Y3	24,003
COVID-19 - Immunization Cooperative Agreements	93.268	63340 Y3	42,235
Total Immunization Cooperative Agreements			<u>66,238</u>
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	61190 Y3	243
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	56809 Y3, 97348 O4	119,212
Total Immunization Cooperative Agreements			<u>119,455</u>
COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	62125 Y3	5,660
Child Support Enforcement	93.563	31043	36,932
Preventive Health and Health Services Block Grant	93.991	57852 Y3, 65246 Y3	1,937
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.994	50705 Y3	103
Total U.S. Department of Health and Human Services			<u>321,115</u>
DEPARTMENT OF THE INTERIOR			
Payments in Lieu of Taxes	15.226	Not applicable	2,362
Total U.S. Department of the Interior			<u>2,362</u>

(Continued)

DAKOTA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing	Pass-Through Entity Identifying Number	Total Federal Expenditures
DEPARTMENT OF TRANSPORTATION			
Passed through Nebraska Department of Transportation Highway Safety Cluster:			
		4021-22-12-08, 402-22-27-13, 4022-21-33-15, 402-22-05-05,	
State and Community Highway Safety	20.600	402-22-05-44	33,620
National Priority Safety Programs	20.616	405d-21-51-14,	15,647
Total Highway Safety Cluster		405d-22-51-25	<u>49,267</u>
Total U.S. Department of Transportation			<u>49,267</u>
DEPARTMENT OF TREASURY			
Coronavirus State and Local Fiscal Recovery Funds	21.027	Not applicable *	292,700
Passed through Nebraska Military Department Coronavirus Relief Fund	21.019	Unavailabe	91,848
Total U.S. Department of Treasury			<u>384,548</u>
ENVIRONMENTAL PROTECTION AGENCY			
Passed through Nebraska Department of Health and Human Services			
State Indoor Radon Grants	66.032	58432 Y3, 64425 Y3	851
Total U.S. Enviromental Protection Agency			<u>851</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,078,303</u>

* Represents Major Program

See accompanying Notes to the Schedule of Expenditures of Federal Awards

(Concluded)

DAKOTA COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

1. **Basis of Presentation**

The accompanying schedule of expenditures of Federal awards (Schedule) includes the Federal award activity of Dakota County (County) under programs of the Federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Dakota County, it is not intended to and does not present the financial position or changes in net assets of the County. The County's reporting entity is defined in Note 1.A. to the County's financial statements. Federal awards received directly from Federal agencies, as well as those passed through other government agencies, are included in the Schedule. Unless otherwise noted on the Schedule, all programs are received directly from the respective Federal agency.

2. **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Dakota County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance, except for the Child Support Enforcement Program, which used the rate as approved by the pass-through entity.

3. **Disaster Grants – Public Assistance (Presidentially Declared Disasters)**

After a presidentially declared disaster, the Federal Emergency Management Agency (FEMA) provides Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing 97.036) to reimburse eligible costs associated with the repair, replacement, or restoration of disaster-damaged infrastructure. The Schedule of Expenditures of Federal Awards reports expenditures of \$278,430 for this program, of which \$7,303 was incurred and paid prior to the fiscal year ended June 30, 2022.



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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DAKOTA COUNTY

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

Board of Commissioners
Dakota 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 Dakota County, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 28, 2022. The report notes the financial statements were prepared on the basis of cash receipts and disbursements.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 the 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 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 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dakota 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 financial statements. 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 Dakota County in a separate letter dated November 28, 2022.

Dakota County's Response to the Finding

Government Auditing Standards require the auditor to perform limited procedures on the County's response to the finding identified in our audit and described previously. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 results 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.

A handwritten signature in black ink, appearing to read "Mark Avery", with a long horizontal flourish extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

November 28, 2022



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

Charlie.Janssen@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
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DAKOTA COUNTY
**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

Board of Commissioners
Dakota County, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Dakota County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Dakota County's major Federal programs for the year ended June 30, 2022. Dakota County's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Dakota County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Dakota County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of Dakota County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Dakota County's Federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Dakota County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Dakota County's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Dakota County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Dakota County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Dakota County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Mark Avery", with a long horizontal flourish extending to the right.

November 28, 2022

Mark Avery, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

DAKOTA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with cash basis of accounting:

Unmodified

Internal control over financial reporting:

Material weaknesses identified? _____ Yes X None Reported

Significant deficiencies identified? X Yes _____ No

Noncompliance material to financial statements noted? _____ Yes X None Reported

Federal Awards

Internal control over major programs:

Material weaknesses identified? _____ Yes X None Reported

Significant deficiencies identified? _____ Yes X None Reported

Type of auditor’s report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ Yes X No

Major programs: **Disaster Grants – Public Assistance (Presidentially Declared Disasters): AL#97.036
Coronavirus State and Local Fiscal Recovery Funds: AL#21.027**

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

_____ Yes X No

DAKOTA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Concluded)

Section II – Financial Statement Findings

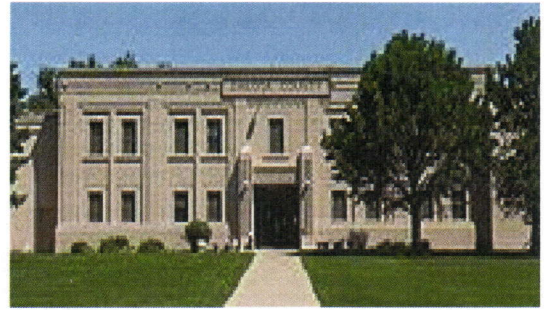
Finding # 2022-001

<u>Condition</u> -	There is a lack of segregation of accounting functions among various County offices and personnel. This is a continuing item from the prior year.
<u>Criteria</u> -	Authorization or approval of transactions, recording of transactions, and custody of assets should normally be segregated from each other.
<u>Context</u> -	Various County offices collect money, most of those offices employ one or two individuals. The offices remit the money to the County Treasurer.
<u>Effect</u> -	This lack of segregation of duties results in an inadequate overall internal control structure design.
<u>Cause</u> -	The County does not employ sufficient office personnel to properly segregate accounting functions.
<u>Recommendation</u> -	The County should be aware of the inherent risks associated with improper segregation of accounting functions. The County should also develop mitigating controls to reduce the risk of errors or fraud associated with the improper segregation of accounting functions.
<u>View of Officials</u> -	The County has discussed the finding but must consider the cost of adequate segregation of duties when determining the use of tax money.

Section III – Federal Award Findings and Questioned Costs

None Noted

**Dakota County
Board of Commissioners**
1601 Broadway Street, PO Box 39
Dakota City NE 68731
402-987-2130



September 27, 2022

TO WHOM IT MAY CONCERN:

SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2022

Finding 2022-1 (Since 2021) Segregation of Duties

Status: On-going

Reason for Recurrence: The County has discussed the finding and will make every consideration feasible; but must consider the cost of adequate segregation of duties when determining the use of tax money.

Please contact me if you have any questions.

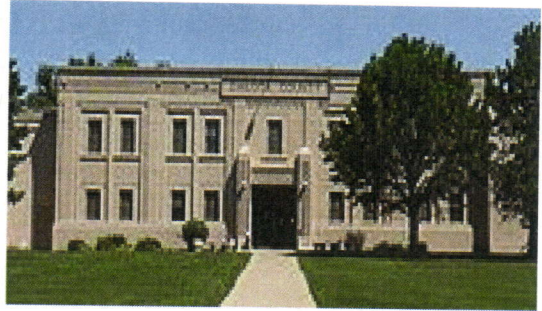
Sincerely,

A handwritten signature in black ink, appearing to read 'R. Giese'.

Robert J. Giese
Dakota County Chair

**Dakota County
Board of Commissioners**

**1601 Broadway Street, PO Box 39
Dakota City NE 68731
402-987-2130**



November 23, 2022

TO WHOM IT MAY CONCERN:

CORRECTIVE ACTION PLAN

Year Ended June 30, 2022

The corrective action plan for the findings included in the Schedule of Findings and Questioned Costs are summarized as follows:

Finding 2022-1 Segregation of Duties

Corrective Action Planned: The County has discussed the finding but must consider the cost of adequate segregation of duties when determining the use of tax money.

Anticipated Completion Date: Ongoing

Responsible Party: County Board of Commissioners. Robert J. Giese, Dakota County Board Chair.

Sincerely,

Robert J. Giese
Board Chair



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen
State Auditor

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November 28, 2022

Board of Commissioners
Dakota County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Dakota County (County) for the fiscal year ended June 30, 2022, and have issued our report thereon dated November 28, 2022. 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

Deficit Fund Balance

For the fiscal year ended June 30, 2022, the disbursements in the Health Disparity Fund exceeded revenues by \$1,860 as of June 30, 2022, creating a deficit fund balance in the county fund.

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 provided in the budget with no appropriation adjustments by the County Board to address those excesses, the County is noncompliant with State statute.

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

County Board Chair Response: The Board will follow through with corrective action with each office and with emphasis on repeat offenders.

Claims Issues

For the fiscal year ended June 30, 2022, the following issues with claims were noted:

- The County did not have adequate documentation on file to support three claims totaling \$2,580. Additionally, Claim #21120156 was filed with the County Clerk 204 days after the services were provided, as shown in the table below:

Fund	Vendor Name	Claim #	Claim Date	Invoice #	Amount
100	Jack's Uniforms & EQ	21120156	12/27/2021	97535B	\$ 140
100	Jack's Uniforms & EQ	21120156	12/27/2021	98699A	\$ 130
100	Jack's Uniforms & EQ	21120156	12/27/2021	97099A	\$ 110
100	Jack's Uniforms & EQ	21120156	12/27/2021	96683A	\$ 110
100	Jack's Uniforms & EQ	21120156	12/27/2021	98877A	\$ 98
100	Jack's Uniforms & EQ	21120156	12/27/2021	96741A	\$ 90
100	Jack's Uniforms & EQ	21110104	11/15/2021	97534A	\$ 1,306
100	Jack's Uniforms & EQ	21110104	11/15/2021	97354B	\$ 198
100	Jack's Uniforms & EQ	21110104	11/15/2021	98086A	\$ 119
100	Jack's Uniforms & EQ	21110104	11/15/2021	96683A	\$ 109
100	Jack's Uniforms & EQ	21110104	11/15/2021	98289A	\$ 83
100	Jack's Uniforms & EQ	21110104	11/15/2021	97636A	\$ 16
100	Jack's Uniforms & EQ	21110104	11/15/2021	97535A	\$ 14
100	Jack's Uniforms & EQ	21110104	11/15/2021	98357A	\$ 8
100	Casey's	22020158	2/22/2022	97017.00	\$ 49
Total					\$ 2,580

- For three claims tested, we noted that the County incorrectly paid sales and lodging taxes, totaling \$106, to local state businesses, as shown in the table below:

Date	Claim Number	Vendor	Taxes Paid
5/19/2022	22060245	Walmart (South Sioux City, NE)	\$ 24
5/31/2022	22060245	Dollar General (Dakota City, NE)	\$ 1
5/12/2022	22060245	Dollar General (Dakota City, NE)	\$ 1
1/24/2022	22020158	Walmart (South Sioux City, NE)	\$ 4
1/27/2022	22020158	Holiday Inn Express (Kearney, NE)	\$ 27
5/10/2022	22050274	Crowne Plaza (Kearney, NE)	\$ 49
Total			\$ 106

Neb. Rev. Stat. § 13-610 (Reissue 2012) requires purchases made with a political subdivision's purchasing card to be accompanied by an itemized receipt, as follows:

(1) A political subdivision, through its governing body, may create its own purchasing card program. The governing body shall determine the type of purchasing card or cards utilized in the purchasing card program and shall approve or disapprove those persons who will be assigned a purchasing card.

* * * *

(2) Any political subdivision may utilize its purchasing card program for the purchase of goods and services for and on behalf of the political subdivision.

* * * *

(4) An itemized receipt for purposes of tracking expenditures shall accompany all purchasing card purchases. In the event that a receipt does not accompany such a purchase, purchasing card privileges shall be temporarily or permanently suspended in accordance with rules and regulations adopted and promulgated by the political subdivision.

* * * *

(6) No officer or employee of a political subdivision shall use a political subdivision purchasing card for any unauthorized use as determined by the governing body.

Additionally, Neb. Rev. Stat. § 23-135(1) (Reissue 2012) states, in part, “All claims against a county shall be filed with the county clerk within ninety days from the time when any materials or labor, which form the basis of the claims, have been furnished or performed”

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

Further, good internal control and sound business practices require procedures to ensure that any grant of public funds is supported by adequate documentation showing that monies were spent appropriately, County credit card purchases are supported by itemized receipts, claims against the County are filed with the County Clerk within 90 days of services performed, and sales and use taxes are not paid on the County's purchases.

Without such procedures, there is an increased risk for the loss or misuse of county funds and noncompliance with State Statute.

We recommend the County implement procedures to ensure any payment of public funds is supported by adequate documentation showing that the monies were spent appropriately. Those same procedures should ensure also that County credit card purchases are supported by appropriate documentation, claims against the County are filed within 90 days of services performed, and sales and use taxes are not paid on the County's purchases.

County Board Chair Response: The Board will follow through with corrective action with each office and with emphasis on repeat offenders.

COUNTY TREASURER

In Lieu Distributions

During our audit, we noted that the distribution of 5% Gross in Lieu was not calculated correctly due to the exclusion of the Ponca School 1 Bond Fund for the Jackson City calculation and exclusion of the Emerson Hubbard School 561 Building Fund for the Hubbard Village calculation.

Entity	Over/(Under) Payment
County General	\$ 42
South Sioux City School 11*	\$ 101
South Sioux City School 11 Bond	\$ 9
Ponca School 1	\$ 98
Ponca School 1 Bond	\$ (359)
Homer School 31*	\$ 81
Emerson-Hubbard School 561*	\$ (20)
Hubbard Village	\$ 11
Jackson City*	\$ 37

*Balance is associated with multiple funds within the entity.

Additionally, the County has failed to distribute \$107 in 1957 In Lieu funds receipted during the fiscal year 2022 for Jackson School District #4, which was dissolved in 2005.

Neb. Rev. Stat. § 70-651.04 (Reissue 2018) states the following:

All payments which are based on retail revenue from each incorporated city or village shall be divided and distributed by the county treasurer to that city or village, to the school districts located in that city or village, to any learning community located in that city or village for payments distributed prior to September 1, 2017, and to the county in which may be located any such incorporated city or village in the proportion that their respective property tax levies in the preceding year bore to the total of such levies, except that the only learning community levies to be included are the common levies for which the proceeds are distributed to member school districts pursuant to section 79-1073.

Neb. Rev. Stat. § 23-1601(4)(a) (2021 Neb. Laws, LB 41, § 2) states, in relevant part, the following:

On or before the fifteenth day of each month, the county treasurer (i) shall pay to each city, village, school district, educational service unit, county agricultural society, rural or suburban fire protection district, and township located within the county the amount of all funds collected or received for the city, village, school district, educational service unit, county agricultural society, rural or suburban fire protection district, and township the previous calendar month

Additionally, good internal controls require procedures to ensure that 5% Gross In Lieu and 1957 In Lieu distributions are calculated correctly and paid in accordance with State statute.

Without such procedures, there is an increased risk of not only political subdivisions failing to receive the appropriate amount of funding but also loss or misuse of funds.

A similar finding was noted in the prior year.

We recommend the County Treasurer correct the erroneous 5% Gross In Lieu distributions. Additionally, we recommend the County Treasurer distribute funds held for the dissolved Jackson School District to the consolidating school district(s). Further, we recommend the County Treasurer implement procedures to ensure future such distributions are calculated correctly and paid to the appropriate entities.

County Board Chair Response: The Board will follow through with corrective action with each office and with emphasis on repeat offenders.

COUNTY SHERIFF

Office Accountability

During our audit, we noted the following issues with the County Sheriff office's accounting procedures at June 30, 2022:

- A monthly asset-to-liability reconciliation was not performed for the County Sheriff Fee Account. A cash long was noted on June 30, 2022, in the amount of \$18,622.
- The Old Jail Commissary bank account includes \$25,000 of petty cash funds authorized by the County Board; however, the petty cash amount was not listed on the Fiscal Year 2021-2022 County Budget Message as required by State statute.
- An accurate listing of accounts receivable was not provided for the County Sheriff Fee account. The County Sheriff's office was able to provide a partial list; however, an unknown variance of \$909 was identified.

- A complete and accurate monthly asset-to-liability reconciliation was not performed during the fiscal year ended June 30, 2022, resulting in unknown variances in the following Jail Accounts:

Account	Long/ (Short) Amount
House Arrest	\$ 6,448
Prodigy Commissary	\$ 574
Petty Cash	\$ 2,206
Old Jail Commissary	\$ (2,028)
Trinity Commissary	\$ 4,802
Total	\$ 12,002

- An accurate bank reconciliation was not completed for the Prodigy Commissary Account, resulting in a variance of \$5,718 in disbursements and \$6,061 in receipts as of June 30, 2022, that were recorded in the book records but not in the bank records.

Neb. Rev. Stat. § 23-106(2) (Reissue 2012) states the following:

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

Sound accounting practices and good internal controls requires procedures to ensure that adequate reconciliation and balancing methods are utilized, including procedures to ensure office assets (cash on hand, reconciled bank balances, accounts receivable, etc.) agree with office liabilities (fee and trust accounts) on, at least, a monthly basis. Such procedures should also include the timely identification and resolution of all variances noted and the maintenance of proper documentation to support correct balances.

A lack of such procedures increases the risk of loss, theft, or misuse of County funds and allows errors to go undetected more easily. Further, when petty cash funds held by the office are not reflected in the County Budget Message, the County is not in compliance with § 23-106(2).

A similar finding was noted in prior years.

We recommend the County Sheriff implement monthly fund-balancing procedures to ensure the performance of regular bank and asset-to-liability reconciliations. We further recommend the County Sheriff review all funds held and remit excess funds to the County Treasurer or request reimbursement through the County Board, when applicable. Finally, we recommend the County Sheriff ensure all petty cash funds held are properly reflected on the annual County Budget Message.

County Board Chair Response: The Board will follow through with corrective action with each office and with emphasis on repeat offenders.

County Sheriff Response: I have read the States concerns and will be working to find a solution promptly.

Unclaimed Property

As of June 30, 2022, we noted that 54 checks, outstanding for more than three years, from four bank accounts, had not been remitted to the State Treasurer as unclaimed property, as follows:

Date Due to the State Treasurer	Fee Account	
	# of Checks	Amount
11/1/2012	3	\$ 40
11/1/2013	1	\$ 6
11/1/2014	1	\$ 2
11/1/2015	4	\$ 60
11/1/2016	6	\$ 90
11/1/2017	7	\$ 116
11/1/2018	8	\$ 91
11/1/2019	10	\$ 149
11/1/2020	8	\$ 136
11/1/2021	6	\$ 76
Totals	54	\$ 766

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

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

Neb. Rev. Stat. § 69-1310 (2021 Supp.) states, in relevant part, the following:

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

* * * *

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

Good internal control requires procedures to ensure that outstanding checks held for more than three years – and, therefore, presumed abandoned – are remitted timely to the State Treasurer as unclaimed property.

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

A similar finding was noted in prior years.

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

County Board Chair Response: The Board will follow through with corrective action with each office and with emphasis on repeat offenders.

County Sheriff Response: I have read the States concerns and will be working to find a solution promptly.

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.

County Board Chair Response: The County has discussed the finding but must consider the cost of adequate segregation of duties when determining the use of tax money.

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 black ink, appearing to read "Mark Avery", with a long, sweeping horizontal line extending to the right.

Mark Avery, CPA
Assistant Deputy Auditor