

**AUDIT REPORT  
OF  
SAUNDERS COUNTY**

**JULY 1, 2020, THROUGH JUNE 30, 2021**

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**Issued on May 20, 2022**

## SAUNDERS COUNTY

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SAUNDERS COUNTY  
433 N Chestnut  
Wahoo, NE 68066

**LIST OF COUNTY OFFICIALS**  
At June 30, 2021

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Supervisors	Doris Karloff <i>(Recalled December 2021)</i>	Jan. 2025
	Frank Albrecht	Jan. 2023
	Tom Hrdlicka	Jan. 2025
	Craig Breunig	Jan. 2023
	John Smaus	Jan. 2023
	Scott Sukstorf	Jan. 2025
	Dave Lutton	Jan. 2023
Assessor	Rhonda Andresen	Jan. 2023
Register of Deeds		
Attorney	Joseph Dobesh <i>(Resigned September 2021)</i>	Jan. 2023
Clerk	Patti Lindgren	Jan. 2023
Election Commissioner		
Clerk of the District Court	Patty McEvoy	Jan. 2023
Sheriff	Kevin Stukenholtz	Jan. 2023
Treasurer	Amber Scanlon	Jan. 2023
Surveyor	Jerry Charles	Jan. 2023
Veterans' Service Officer	Dan Kauble	Appointed
Weed Superintendent	Ed Sladky	Appointed
Highway Superintendent	Andy Nordstrom	Appointed
Planning & Zoning	Mitch Polacek	Appointed
Emergency Manager	Terry Miller	Appointed



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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## SAUNDERS COUNTY

### INDEPENDENT AUDITOR'S REPORT

Board of Supervisors  
Saunders County, Nebraska

#### Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government, as listed in the table of contents.

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

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

#### Auditor's Responsibility

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

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

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

## Summary of Opinions

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

### Basis for Adverse Opinion on the Discretely Presented Component Unit

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

### Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of Saunders County, as of June 30, 2021, or the change in financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

### Unmodified Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and aggregate remaining fund information of Saunders County, as of June 30, 2021, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

### Emphasis of Matters – Basis of Accounting

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

### Report on Supplementary Information

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

The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, 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 19-37, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements

and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2022, on our consideration of Saunders County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and considering Saunders County's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Zachary Wells" with a stylized flourish at the end.

Zachary Wells, CPA, CISA  
Assistant Deputy Auditor  
Lincoln, Nebraska

May 17, 2022

SAUNDERS COUNTY  
**STATEMENT OF NET POSITION - CASH BASIS**  
June 30, 2021

	Governmental Activities
	<hr/>
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 25,988,461
<b>TOTAL ASSETS</b>	<hr/> <hr/>
 <b>NET POSITION</b>	
Restricted for:	
Visitor Promotion	\$ 89,811
Emergency Services	1,270,967
Drug Education	2,049
Law Enforcement	40,323
Preservation of Records	107,829
Debt Service	4,029,725
Road Maintenance	1,193,492
Communications Towers	33,926
Child Support Enforcement	52,149
Federal Relief	2,095,637
Unrestricted	17,072,553
<b>TOTAL NET POSITION</b>	<hr/> <hr/>

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

SAUNDERS COUNTY  
**STATEMENT OF ACTIVITIES - CASH BASIS**  
For the Year Ended June 30, 2021

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
General Government	\$ (6,369,505)	\$ 1,121,678	\$ 116,439	\$ (5,131,388)
Public Safety	(5,201,809)	2,032,651	961,786	(2,207,372)
Public Works	(8,193,936)	15,884	5,345,083	(2,832,969)
Public Assistance	(187,085)	2,362	89,158	(95,565)
Culture and Recreation	(3,068)	-	-	(3,068)
Debt Payments	(4,357,275)	-	1,200,000	(3,157,275)
Total Governmental Activities	<u>\$ (24,312,678)</u>	<u>\$ 3,172,575</u>	<u>\$ 7,712,466</u>	<u>(13,427,637)</u>

General Receipts:

Taxes	13,159,580
Grants and Contributions Not Restricted to Specific Programs	3,403,881
Investment Income	135,176
Licenses and Permits	345,535
Proceeds from Sale of Bonds	2,335,000
Miscellaneous	227,661
Total General Receipts	<u>19,606,833</u>

Increase in Net Position	6,179,196
Net Position - Beginning of year	19,809,265
Net Position - End of year	<u>\$ 25,988,461</u>

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



SAUNDERS COUNTY  
**STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
June 30, 2021

	General Fund	Public Works Fund	Inheritance Fund	Health Services Bond Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents (Note 1.D)	\$ 8,255,687	\$ 5,051,239	\$ 2,682,893	\$ 2,942,800	\$ 7,055,842	\$ 25,988,461
<b>TOTAL ASSETS</b>	<u>\$ 8,255,687</u>	<u>\$ 5,051,239</u>	<u>\$ 2,682,893</u>	<u>\$ 2,942,800</u>	<u>\$ 7,055,842</u>	<u>\$ 25,988,461</u>
<b>FUND BALANCES</b>						
Restricted for:						
Visitor Promotion	-	-	-	-	89,811	89,811
Emergency Services	-	-	-	-	1,270,967	1,270,967
Drug Education	-	-	-	-	2,049	2,049
Law Enforcement	-	-	-	-	40,323	40,323
Preservation of Records	-	-	-	-	107,829	107,829
Debt Service	-	-	-	2,942,800	1,086,925	4,029,725
Road Maintenance	-	-	-	-	1,193,492	1,193,492
Communications Towers	-	-	-	-	33,926	33,926
Child Support Enforcement	-	-	-	-	52,149	52,149
Federal Relief	-	-	-	-	2,095,637	2,095,637
Committed to:						
Law Enforcement	-	-	-	-	129,330	129,330
Road Maintenance	-	5,051,239	-	-	-	5,051,239
Aid and Assistance	-	-	-	-	150,704	150,704
County Buildings	-	-	-	-	403,806	403,806
Disaster Recovery	-	-	-	-	378,444	378,444
Emergency Services	-	-	-	-	13,606	13,606
Youth Camp	-	-	-	-	6,844	6,844
Assigned to:						
Other Purposes	-	-	2,682,893	-	-	2,682,893
Unassigned	8,255,687	-	-	-	-	8,255,687
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 8,255,687</u>	<u>\$ 5,051,239</u>	<u>\$ 2,682,893</u>	<u>\$ 2,942,800</u>	<u>\$ 7,055,842</u>	<u>\$ 25,988,461</u>

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

SAUNDERS COUNTY  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2021

	General Fund	Public Works Fund	Inheritance Fund	Health Services Bond Fund	Nonmajor Funds	Total Governmental Funds
<b>RECEIPTS</b>						
Taxes	\$9,861,326	\$ -	\$2,021,215	\$ -	\$ 1,277,039	\$ 13,159,580
Licenses and Permits	337,035	-	-	-	8,500	345,535
Investment Income	86,634	-	-	41,789	6,753	135,176
Intergovernmental	1,796,231	4,475,117	-	1,200,000	3,644,999	11,116,347
Charges for Services	2,739,340	15,884	-	-	417,351	3,172,575
Miscellaneous	121,474	41,290	-	-	64,897	227,661
<b>TOTAL RECEIPTS</b>	<b>14,942,040</b>	<b>4,532,291</b>	<b>2,021,215</b>	<b>1,241,789</b>	<b>5,419,539</b>	<b>28,156,874</b>
<b>DISBURSEMENTS</b>						
General Government	5,927,388	-	5,408	-	436,709	6,369,505
Public Safety	4,362,225	-	-	-	839,584	5,201,809
Public Works	109,146	7,160,149	-	-	924,641	8,193,936
Public Assistance	96,408	-	-	-	90,677	187,085
Culture and Recreation	-	-	-	-	3,068	3,068
Debt Service:						
Principal Payments	2,335,000	-	-	790,000	870,000	3,995,000
Interest and Fiscal Charges	-	-	-	293,884	68,391	362,275
<b>TOTAL DISBURSEMENTS</b>	<b>12,830,167</b>	<b>7,160,149</b>	<b>5,408</b>	<b>1,083,884</b>	<b>3,233,070</b>	<b>24,312,678</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>2,111,873</b>	<b>(2,627,858)</b>	<b>2,015,807</b>	<b>157,905</b>	<b>2,186,469</b>	<b>3,844,196</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	48,647	3,396,122	-	-	342,996	3,787,765
Transfers out	(2,068,942)	-	(1,670,176)	-	(48,647)	(3,787,765)
Proceeds from Sale of Bonds	2,335,000	-	-	-	-	2,335,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>314,705</b>	<b>3,396,122</b>	<b>(1,670,176)</b>	<b>-</b>	<b>294,349</b>	<b>2,335,000</b>
Net Change in Fund Balances	2,426,578	768,264	345,631	157,905	2,480,818	6,179,196
<b>CASH BASIS FUND BALANCES - BEGINNING</b>	<b>5,829,109</b>	<b>4,282,975</b>	<b>2,337,262</b>	<b>2,784,895</b>	<b>4,575,024</b>	<b>19,809,265</b>
<b>CASH BASIS FUND BALANCES - ENDING</b>	<b>\$8,255,687</b>	<b>\$5,051,239</b>	<b>\$2,682,893</b>	<b>\$2,942,800</b>	<b>\$ 7,055,842</b>	<b>\$ 25,988,461</b>

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

SAUNDERS COUNTY  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES**  
**FIDUCIARY FUNDS**  
For the Year Ended June 30, 2021

	Custodial Fund Balances July 1, 2020 (as restated)	Receipts	Disbursements	Custodial Fund Balances June 30, 2021
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 6,784,562	\$73,367,346	\$ 75,462,907	\$ 4,689,001
<b>LIABILITIES</b>				
Due to other governments				
State - Collected by County Treasurer	939,111	7,407,847	7,648,043	698,915
State - Collected by Other Offices	33,967	427,321	416,795	44,493
Schools	3,895,178	44,909,996	46,131,795	2,673,379
Educational Service Units	10,796	627,746	627,423	11,119
Technical College	66,845	3,920,815	3,918,203	69,457
Natural Resource Districts	25,225	1,408,913	1,409,660	24,478
Fire Districts	35,376	2,088,668	2,089,368	34,676
Municipalities	145,507	5,161,752	5,186,525	120,734
Agricultural Society	5,257	310,945	310,648	5,554
Drainage Districts	4,973	54,659	57,526	2,106
Townships	70,472	2,033,670	2,070,645	33,497
Sanitary and Improvement Districts	575,625	1,165,367	1,030,376	710,616
Airport Authorities	4,063	106,133	107,598	2,598
Others - Collected by County Treasurer	778,945	99,241	779,133	99,053
Others - Collected by Other Offices	193,222	3,644,273	3,679,169	158,326
<b>TOTAL LIABILITIES</b>	<u>6,784,562</u>	<u>73,367,346</u>	<u>75,462,907</u>	<u>4,689,001</u>
<b>TOTAL NET POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

## SAUNDERS COUNTY

### NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2021

#### 1. Summary of Significant Accounting Policies

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

##### **A. Reporting Entity**

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

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

##### **Joint Organization.**

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

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$93,510 toward the operation of the Region during fiscal year 2021. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

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

## SAUNDERS COUNTY

### NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The Department's governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2021. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Supp. 2021). Financial information for the Department is available in that report.

#### **B. Basis of Presentation**

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

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

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

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

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

## SAUNDERS COUNTY

### NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County reports the following major governmental funds:

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

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

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

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

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

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

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

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

The County designates fund balances as follows:

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

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

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

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

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

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

## SAUNDERS COUNTY

### NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

#### **D. Assets and Net Position**

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

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 \$8,915,908 of restricted net position, which is fully restricted by enabling legislation.

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

**Excess of Disbursements Over Appropriations.** For the year ended June 30, 2021, disbursements exceeded budgeted appropriations in the County Relief-Medical function of the General Fund by \$7,574, and in the Correctional Center Commissary Fund by \$65,051. These over-expenditures were funded by greater than anticipated receipts.

2. **Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. § 77-2315 (Reissue 2018).

At year end, the County's carrying amount of deposits was \$25,988,461 for County funds and \$4,689,001 for Fiduciary funds. The bank balances for all funds totaled \$30,785,705. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2021, were either entirely insured or collateralized with securities held by the County's agent 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 2020, for the 2020 taxes, which will be materially collected in May and September 2021, was set at \$.246046/\$100 of assessed valuation. The levy set in October 2019, for the 2019 taxes, which were materially collected in May and September 2020, was set at \$.252231/\$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.



## SAUNDERS COUNTY

### NOTES TO FINANCIAL STATEMENTS

(Continued)

#### 3. **Taxes** (Concluded)

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, occupation taxes, and lodging taxes.

#### 4. **Retirement System**

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

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

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

A supplemental retirement plan was established on January 1, 2003, for the benefit of all present and future commissioned law enforcement personnel employed by the County. Employees contribute 1% of their salary, and the County contributes an amount equal to 100% of the employee's contribution. In a defined contribution plan, benefits depend solely on amounts contributed to the Plan plus investment earnings.

For the year ended June 30, 2021, 194 employees contributed \$324,520, and the County contributed \$481,468. Contributions included \$10,636 in cash contributions towards the supplemental law enforcement plan for 21 law enforcement employees. Lastly, the County paid \$654 directly to six 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 104 counties and local governments throughout Nebraska.

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**5. Risk Management** (Concluded)

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

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

**6. Interfund Transfers**

Interfund transfers for the year ended June 30, 2021, consisted of the following:

	<b>Transfers from</b>			
<b>Transfers to</b>	General Fund	Inheritance Fund	Nonmajor Funds	Total
Public Works Fund	\$ 1,875,946	\$ 1,520,176	\$ -	\$ 3,396,122
General Fund	-	-	48,647	48,647
Nonmajor Funds	192,996	150,000	-	342,996
Total	<u>\$ 2,068,942</u>	<u>\$ 1,670,176</u>	<u>\$ 48,647</u>	<u>\$ 3,787,765</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.

During the year ended June 30, 2021, the County transferred \$48,647 from the 911 Wireless Service Fund to the General Fund to reimburse the General Fund for eligible 911 related costs that were originally paid from the General Fund.

**7. Long-Term Obligations**

**Hospital Bonds.** The County issued bonds in November 2005 in the amount of \$9,400,000 for the purpose of paying the costs of acquiring a site, constructing, and equipping a new hospital clinic and long-term care facility. During fiscal years 2012 and 2014, the County Board partially refinanced these Bonds. In February

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

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

2020, the County again partially refinanced the Series 2012 bonds. The bond payable balance, as of June 30, 2021, was \$10,005,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Receipts generated at the Hospital and future tax resources will be used to pay off the bonds. Complete financial statements of the Hospital can be obtained from its administrative office.

Future Payments:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 845,000	\$ 276,369	\$ 1,121,369
2023	635,000	262,100	897,100
2024	675,000	245,625	920,625
2025	690,000	225,150	915,150
2026	700,000	204,300	904,300
2027-2031	3,485,000	693,975	4,178,975
2032-2036	2,975,000	232,875	3,207,875
Total Payments	<u>\$ 10,005,000</u>	<u>\$ 2,140,394</u>	<u>\$ 12,145,394</u>

**Law Enforcement Center Bonds.** The County issued bonds on October 12, 2016, in the amount of \$5,525,000 for the purpose of refunding the County's outstanding General Obligation Refunding Bonds, Series 2011. Additionally, the County issued bonds on August 12, 2020, in the amount of \$2,335,000 for the purpose of refunding the County's outstanding General Obligation Refunding Bonds, Series 2012. The original bonds were issued for the purpose of paying the costs of acquiring a site, constructing, and equipping a new law enforcement facility. The bond payable balance, as of June 30, 2021, was \$5,390,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 875,000	\$ 62,214	\$ 937,214
2023	890,000	53,161	943,161
2024	885,000	43,204	928,204
2025	905,000	32,272	937,272
2026	915,000	20,190	935,190
2027	920,000	6,945	926,945
Total Payments	<u>\$ 5,390,000</u>	<u>\$ 217,986</u>	<u>\$ 5,607,986</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.

**9. Historical Society**

During the fiscal year ended June 30, 2021, the Saunders County Historical Society (Historical Society) received \$25,000 of funding from the County per Neb. Rev. Stat. § 23-355.01(2) (Reissue 2012). The full amount received was spent by the Historical Society. Because the Historical Society is a separate non-profit organization, its bank and investment balances were not included in the financial statements.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Concluded)

**10. Prior-Period Adjustment**

The beginning balances were increased by \$227,189 on the Fiduciary Fund Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances from the balances reported in the County's fiscal year 2020 financial statements. These adjustments were made to report the monies held by County Officials other than the County Treasurer.

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 9,970,448	\$ 9,970,448	\$ 9,861,326	\$ (109,122)
Licenses and Permits	203,025	203,025	337,035	134,010
Investment Income	30,000	30,000	86,634	56,634
Intergovernmental	236,100	236,100	1,796,231	1,560,131
Charges for Services	2,585,100	2,585,100	2,739,340	154,240
Miscellaneous	100,000	100,000	121,474	21,474
<b>TOTAL RECEIPTS</b>	<b>13,124,673</b>	<b>13,124,673</b>	<b>14,942,040</b>	<b>1,817,367</b>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	186,065	186,065	173,975	12,090
County Clerk	184,693	184,693	178,865	5,828
County Treasurer	297,002	297,002	289,998	7,004
County Assessor/Register of Deeds	356,678	356,678	326,146	30,532
Election Commissioner	129,002	138,202	138,184	18
Building and Zoning	83,814	83,814	67,949	15,865
Board of Equalization	11,800	11,800	6,262	5,538
Clerk of the District Court	115,979	115,979	114,221	1,758
District Judge	56,496	56,496	55,017	1,479
Public Defender	265,388	265,388	247,702	17,686
Agricultural Extension Agent	107,303	107,303	102,011	5,292
Administrative Division	143,205	143,205	95,789	47,416
Child Support District Court	32,624	32,624	3,781	28,843
Unemployment Compensation	20,000	20,000	4,686	15,314
Miscellaneous	8,105,048	8,091,998	4,122,802	3,969,196
Public Safety				
County Sheriff	1,680,757	1,680,757	1,667,975	12,782
County Attorney	386,792	386,792	359,172	27,620
County Jail	2,276,162	2,276,162	2,136,227	139,935
Child Support County Attorney	92,263	92,263	83,801	8,462
County Sheriff Grant	28,380	28,380	13,643	14,737
Building Security	114,048	114,048	101,407	12,641
Public Works				
County Surveyor	107,218	109,168	109,146	22
Public Assistance				
Veterans' Service Officer	49,665	51,565	51,554	11
Institutions	36,500	36,500	7,280	29,220
County Relief - Medical	30,000	30,000	37,574	(7,574)

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Debt Service				
Principal Payments	-	-	2,335,000	(2,335,000)
Interest and Charges	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>14,896,882</u>	<u>14,896,882</u>	<u>12,830,167</u>	<u>2,066,715</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(1,772,209)</u>	<u>(1,772,209)</u>	<u>2,111,873</u>	<u>3,884,082</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	48,647	48,647
Transfers out	(2,056,900)	(2,056,900)	(2,068,942)	(12,042)
Proceeds from Sale of Bonds	-	-	2,335,000	2,335,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,056,900)</u>	<u>(2,056,900)</u>	<u>314,705</u>	<u>2,371,605</u>
Net Change in Fund Balance	(3,829,109)	(3,829,109)	2,426,578	6,255,687
<b>FUND BALANCE - BEGINNING</b>	<u>5,829,109</u>	<u>5,829,109</u>	<u>5,829,109</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ 2,000,000</u></u>	<u><u>\$ 2,000,000</u></u>	<u><u>\$ 8,255,687</u></u>	<u><u>\$ 6,255,687</u></u>

(Concluded)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>PUBLIC WORKS FUND</b>				
RECEIPTS				
Intergovernmental	\$ 3,175,000	\$ 3,175,000	\$ 4,475,117	\$ 1,300,117
Charges for Services	1,500	1,500	15,884	14,384
Miscellaneous	1,000	1,000	41,290	40,290
TOTAL RECEIPTS	<u>3,177,500</u>	<u>3,177,500</u>	<u>4,532,291</u>	<u>1,354,791</u>
DISBURSEMENTS	<u>10,856,597</u>	<u>10,856,597</u>	<u>7,160,149</u>	<u>3,696,448</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(7,679,097)</u>	<u>(7,679,097)</u>	<u>(2,627,858)</u>	<u>5,051,239</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,396,122	3,396,122	3,396,122	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,396,122</u>	<u>3,396,122</u>	<u>3,396,122</u>	<u>-</u>
Net Change in Fund Balance	(4,282,975)	(4,282,975)	768,264	5,051,239
FUND BALANCE - BEGINNING	<u>4,282,975</u>	<u>4,282,975</u>	<u>4,282,975</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,051,239</u>	<u>\$ 5,051,239</u>
<b>INHERITANCE FUND</b>				
RECEIPTS				
Taxes	\$ 832,915	\$ 832,915	\$ 2,021,215	\$ 1,188,300
TOTAL RECEIPTS	<u>832,915</u>	<u>832,915</u>	<u>2,021,215</u>	<u>1,188,300</u>
DISBURSEMENTS	<u>1,500,000</u>	<u>1,500,000</u>	<u>5,408</u>	<u>1,494,592</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(667,085)</u>	<u>(667,085)</u>	<u>2,015,807</u>	<u>2,682,892</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,670,177)	(1,670,177)	(1,670,176)	1
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,670,177)</u>	<u>(1,670,177)</u>	<u>(1,670,176)</u>	<u>1</u>
Net Change in Fund Balance	(2,337,262)	(2,337,262)	345,631	2,682,893
FUND BALANCE - BEGINNING	<u>2,337,262</u>	<u>2,337,262</u>	<u>2,337,262</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,682,893</u>	<u>\$ 2,682,893</u>

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HEALTH SERVICES BOND FUND</b>				
RECEIPTS				
Investment Income	\$ 10,001	\$ 10,001	\$ 41,789	\$ 31,788
Intergovernmental	1,200,000	1,200,000	1,200,000	-
TOTAL RECEIPTS	1,210,001	1,210,001	1,241,789	31,788
DISBURSEMENTS	3,994,896	3,994,896	1,083,884	2,911,012
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(2,784,895)	(2,784,895)	157,905	2,942,800
Net Change in Fund Balance	(2,784,895)	(2,784,895)	157,905	2,942,800
FUND BALANCE - BEGINNING	2,784,895	2,784,895	2,784,895	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 2,942,800	\$ 2,942,800

(Concluded)



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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HIGHWAY BRIDGE BUYBACK FUND</b>				
Receipts	\$ 732,642	\$ 732,642	\$ 732,643	\$ 1
Disbursements	(1,969,539)	(1,969,539)	(921,369)	1,048,170
Net Change in Fund Balance	(1,236,897)	(1,236,897)	(188,726)	1,048,171
Fund Balance - Beginning	1,236,897	1,236,897	1,382,218	145,321
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,193,492</u>	<u>\$ 1,193,492</u>
<b>COMMUNICATIONS TOWER FUND</b>				
Receipts	\$ 17,000	\$ 17,000	\$ 8,500	\$ (8,500)
Disbursements	(49,760)	(49,760)	(7,334)	42,426
Net Change in Fund Balance	(32,760)	(32,760)	1,166	33,926
Fund Balance - Beginning	32,760	32,760	32,760	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,926</u>	<u>\$ 33,926</u>
<b>CHILD SUPPORT INCENTIVE FUND</b>				
Receipts	\$ 20,775	\$ 20,775	\$ 22,393	\$ 1,618
Disbursements	(50,631)	(50,631)	(100)	50,531
Net Change in Fund Balance	(29,856)	(29,856)	22,293	52,149
Fund Balance - Beginning	29,856	29,856	29,856	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,149</u>	<u>\$ 52,149</u>
<b>VISITORS PROMOTION FUND</b>				
Receipts	\$ 8,951	\$ 8,951	\$ 14,494	\$ 5,543
Disbursements	(21,255)	(21,255)	(3,068)	18,187
Net Change in Fund Balance	(12,304)	(12,304)	11,426	23,730
Fund Balance - Beginning	12,304	12,304	12,304	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,730</u>	<u>\$ 23,730</u>
<b>VISITORS IMPROVEMENT FUND</b>				
Receipts	\$ 14,991	\$ 14,991	\$ 14,494	\$ (497)
Disbursements	(66,578)	(66,578)	-	66,578
Net Change in Fund Balance	(51,587)	(51,587)	14,494	66,081
Fund Balance - Beginning	51,587	51,587	51,587	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,081</u>	<u>\$ 66,081</u>

(Continued)

SAUNDERS COUNTY  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REGISTER OF DEEDS PRESERVATION &amp; MODERNIZATION FUND</b>				
Receipts	\$ 22,651	\$ 22,651	\$ 30,728	\$ 8,077
Disbursements	(102,962)	(102,962)	(3,210)	99,752
Net Change in Fund Balance	(80,311)	(80,311)	27,518	107,829
Fund Balance - Beginning	80,311	80,311	80,311	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,829</u>	<u>\$ 107,829</u>
<b>VETERANS' AID FUND</b>				
Receipts	\$ 145	\$ 145	\$ 1,219	\$ 1,074
Disbursements	(94,818)	(94,818)	-	94,818
Net Change in Fund Balance	(94,673)	(94,673)	1,219	95,892
Fund Balance - Beginning	94,673	94,673	94,673	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,892</u>	<u>\$ 95,892</u>
<b>TRANSPORTATION FUND</b>				
Receipts	\$ 60,600	\$ 60,600	\$ 91,520	\$ 30,920
Disbursements	(103,083)	(103,083)	(90,677)	12,406
Transfers in	5,853	5,853	5,853	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(36,630)	(36,630)	6,696	43,326
Fund Balance - Beginning	36,630	36,630	36,630	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,326</u>	<u>\$ 43,326</u>
<b>DIVERSION PROGRAM FUND</b>				
Receipts	\$ 197,857	\$ 197,857	\$ 208,308	\$ 10,451
Disbursements	(317,603)	(317,603)	(310,305)	7,298
Transfers in	92,493	92,493	104,534	12,041
Transfers out	-	-	-	-
Net Change in Fund Balance	(27,253)	(27,253)	2,537	29,790
Fund Balance - Beginning	27,253	27,253	27,253	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,790</u>	<u>\$ 29,790</u>

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>SAFETY TRAINING OPTION PROGRAM FUND</b>				
Receipts	\$ 7,500	\$ 7,500	\$ 9,220	\$ 1,720
Disbursements	(16,306)	(16,306)	(10,987)	5,319
Net Change in Fund Balance	(8,806)	(8,806)	(1,767)	7,039
Fund Balance - Beginning	8,806	8,806	8,806	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,039</u>	<u>\$ 7,039</u>
<b>DRUG LAW ENFORCEMENT AND EDUCATION FUND</b>				
Receipts	\$ 3,800	\$ 3,800	\$ -	\$ (3,800)
Disbursements	(5,849)	(5,849)	-	5,849
Net Change in Fund Balance	(2,049)	(2,049)	-	2,049
Fund Balance - Beginning	2,049	2,049	2,049	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,049</u>	<u>\$ 2,049</u>
<b>DRUG TESTING FUND</b>				
Receipts	\$ 280	\$ 280	\$ -	\$ (280)
Disbursements	(300)	(300)	-	300
Net Change in Fund Balance	(20)	(20)	-	20
Fund Balance - Beginning	20	20	20	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 20</u>
<b>DRUG COURT PROGRAM FUND</b>				
Receipts	\$ 10,000	\$ 10,000	\$ 1,080	\$ (8,920)
Disbursements	(10,000)	(10,000)	(99)	9,901
Net Change in Fund Balance	-	-	981	981
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 981</u>	<u>\$ 981</u>
<b>FEDERAL DRUG LAW ENFORCEMENT FUND</b>				
Receipts	\$ 9,501	\$ 9,501	\$ -	\$ (9,501)
Disbursements	(11,607)	(11,607)	(2,106)	9,501
Net Change in Fund Balance	(2,106)	(2,106)	(2,106)	-
Fund Balance - Beginning	2,106	2,106	2,106	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DIVERSION PROGRAM - YOUTH SERVICES GRANT FUND</b>				
Receipts	\$ -	\$ 50,000	\$ 55,000	\$ 5,000
Disbursements	(5,916)	(55,916)	(20,593)	35,323
Net Change in Fund Balance	(5,916)	(5,916)	34,407	40,323
Fund Balance - Beginning	5,916	5,916	5,916	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,323</u>	<u>\$ 40,323</u>
<b>VICTIM'S ASSISTANCE PROGRAM</b>				
Receipts	\$ 6,000	\$ 6,000	\$ -	\$ (6,000)
Disbursements	(17,943)	(17,943)	(457)	17,486
Net Change in Fund Balance	(11,943)	(11,943)	(457)	11,486
Fund Balance - Beginning	11,943	11,943	11,943	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,486</u>	<u>\$ 11,486</u>
<b>DISASTER FUND</b>				
Receipts	\$ 1	\$ 1	\$ 345,578	\$ 345,577
Disbursements	(32,867)	(32,867)	-	32,867
Net Change in Fund Balance	(32,866)	(32,866)	345,578	378,444
Fund Balance - Beginning	32,866	32,866	32,866	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 378,444</u>	<u>\$ 378,444</u>
<b>COVID AMERICAN RESCUE PLAN FUND</b>				
Receipts	\$ -	\$ 2,000,000	\$ 2,095,637	\$ 95,637
Disbursements	-	(2,000,000)	-	2,000,000
Net Change in Fund Balance	-	-	2,095,637	2,095,637
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,095,637</u>	<u>\$ 2,095,637</u>
<b>E911 EMERGENCY MANAGEMENT FUND</b>				
Receipts	\$ 83,612	\$ 83,612	\$ 88,854	\$ 5,242
Disbursements	(169,677)	(169,677)	(80,426)	89,251
Net Change in Fund Balance	(86,065)	(86,065)	8,428	94,493
Fund Balance - Beginning	86,065	86,065	86,065	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,493</u>	<u>\$ 94,493</u>

(Continued)

SAUNDERS COUNTY  
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL  
NONMAJOR FUNDS

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>911 WIRELESS SERVICE FUND</b>				
Receipts	\$ 59,196	\$ 59,196	\$ 68,180	\$ 8,984
Disbursements	(302,066)	(302,066)	(19,414)	282,652
Transfers in	-	-	-	-
Transfers out	-	-	(48,647)	(48,647)
Net Change in Fund Balance	(242,870)	(242,870)	119	242,989
Fund Balance - Beginning	242,870	242,870	242,870	-
Fund Balance - Ending	\$ -	\$ -	\$ 242,989	\$ 242,989
<b>EMERGENCY MANAGEMENT FUND</b>				
Receipts	\$ 27,000	\$ 27,000	\$ 39,705	\$ 12,705
Disbursements	(77,412)	(77,412)	(76,511)	901
Transfers in	32,609	32,609	32,609	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(17,803)	(17,803)	(4,197)	13,606
Fund Balance - Beginning	17,803	17,803	17,803	-
Fund Balance - Ending	\$ -	\$ -	\$ 13,606	\$ 13,606
<b>CORRECTIONAL CENTER COMMISSARY FUND</b>				
Receipts	\$ 187,700	\$ 187,700	\$ 344,251	\$ 156,551
Disbursements	(253,535)	(253,535)	(318,586)	(65,051)
Net Change in Fund Balance	(65,835)	(65,835)	25,665	91,500
Fund Balance - Beginning	65,835	65,835	65,835	-
Fund Balance - Ending	\$ -	\$ -	\$ 91,500	\$ 91,500
<b>LAW ENFORCEMENT CENTER &amp; JAIL BOND FUND</b>				
Receipts	\$ 1,025,570	\$ 1,025,570	\$ 1,064,219	\$ 38,649
Disbursements	(1,836,667)	(1,836,667)	(938,391)	898,276
Net Change in Fund Balance	(811,097)	(811,097)	125,828	936,925
Fund Balance - Beginning	961,097	961,097	961,097	-
Fund Balance - Ending	\$ 150,000	\$ 150,000	\$ 1,086,925	\$ 936,925

(Continued)

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

For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>COUNTY BUILDING FUND</b>				
Receipts	\$ 105,012	\$ 105,012	\$ 103,816	\$ (1,196)
Disbursements	(831,167)	(831,167)	(426,165)	405,002
Transfers in	200,000	200,000	200,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(526,155)	(526,155)	(122,349)	403,806
Fund Balance - Beginning	526,155	526,155	526,155	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 403,806</u>	<u>\$ 403,806</u>
<b>FLOOD CONTROL PROJECT FUND</b>				
Receipts	\$ 77,426	\$ 77,426	\$ 79,650	\$ 2,224
Disbursements	(934,533)	(934,533)	(3,272)	931,261
Net Change in Fund Balance	(857,107)	(857,107)	76,378	933,485
Fund Balance - Beginning	857,107	857,107	857,107	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 933,485</u>	<u>\$ 933,485</u>
<b>YOUTH CAMP FUND</b>				
Receipts	\$ 7,000	\$ 7,000	\$ 50	\$ (6,950)
Disbursements	(13,794)	(13,794)	-	13,794
Net Change in Fund Balance	(6,794)	(6,794)	50	6,844
Fund Balance - Beginning	6,794	6,794	6,794	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,844</u>	<u>\$ 6,844</u>
<b>CANINE FUND</b>				
Receipts	\$ 15,000	\$ 15,000	\$ -	\$ (15,000)
Disbursements	(15,000)	(15,000)	-	15,000
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Concluded)

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

For the Year Ended June 30, 2021

	Highway Bridge Buyback Fund	Communications Tower Fund	Child Support Incentive Fund	Visitors Promotion Fund	Visitors Improvement Fund
<b>RECEIPTS</b>					
Taxes	\$ -	\$ -	\$ -	\$ 14,494	\$ 14,494
Licenses and Permits	-	8,500	-	-	-
Investment Income	-	-	-	-	-
Intergovernmental	732,643	-	22,293	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	100	-	-
<b>TOTAL RECEIPTS</b>	<b>732,643</b>	<b>8,500</b>	<b>22,393</b>	<b>14,494</b>	<b>14,494</b>
<b>DISBURSEMENTS</b>					
General Government	-	7,334	-	-	-
Public Safety	-	-	100	-	-
Public Works	921,369	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	3,068	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>921,369</b>	<b>7,334</b>	<b>100</b>	<b>3,068</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(188,726)</b>	<b>1,166</b>	<b>22,293</b>	<b>11,426</b>	<b>14,494</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(188,726)	1,166	22,293	11,426	14,494
<b>FUND BALANCES - BEGINNING</b>	<b>1,382,218</b>	<b>32,760</b>	<b>29,856</b>	<b>12,304</b>	<b>51,587</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,193,492</b>	<b>\$ 33,926</b>	<b>\$ 52,149</b>	<b>\$ 23,730</b>	<b>\$ 66,081</b>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	23,730	66,081
Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Road Maintenance	1,193,492	-	-	-	-
Communications Towers	-	33,926	-	-	-
Child Support Enforcement	-	-	52,149	-	-
Federal Relief	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
County Buildings	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
Emergency Services	-	-	-	-	-
Youth Camp	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 1,193,492</b>	<b>\$ 33,926</b>	<b>\$ 52,149</b>	<b>\$ 23,730</b>	<b>\$ 66,081</b>

**SAUNDERS COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR FUNDS**  
For the Year Ended June 30, 2021

	Register of Deeds Preservation & Modernization Fund	Veterans' Aid Fund	Transportation Fund	Diversion Program Fund	Safety Training Option Program Fund
<b>RECEIPTS</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Investment Income	-	1,219	-	-	-
Intergovernmental	-	-	89,158	203,976	-
Charges for Services	30,728	-	2,362	3,620	9,220
Miscellaneous	-	-	-	712	-
<b>TOTAL RECEIPTS</b>	<b>30,728</b>	<b>1,219</b>	<b>91,520</b>	<b>208,308</b>	<b>9,220</b>
<b>DISBURSEMENTS</b>					
General Government	3,210	-	-	-	-
Public Safety	-	-	-	310,305	10,987
Public Works	-	-	-	-	-
Public Assistance	-	-	90,677	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>3,210</b>	<b>-</b>	<b>90,677</b>	<b>310,305</b>	<b>10,987</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>27,518</b>	<b>1,219</b>	<b>843</b>	<b>(101,997)</b>	<b>(1,767)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	5,853	104,534	-
Transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>5,853</b>	<b>104,534</b>	<b>-</b>
Net Change in Fund Balances	27,518	1,219	6,696	2,537	(1,767)
<b>FUND BALANCES - BEGINNING</b>	<b>80,311</b>	<b>94,673</b>	<b>36,630</b>	<b>27,253</b>	<b>8,806</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 107,829</b>	<b>\$ 95,892</b>	<b>\$ 43,326</b>	<b>\$ 29,790</b>	<b>\$ 7,039</b>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	-
Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	107,829	-	-	-	-
Debt Service	-	-	-	-	-
Road Maintenance	-	-	-	-	-
Communications Towers	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Federal Relief	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	29,790	7,039
Aid and Assistance	-	95,892	43,326	-	-
County Buildings	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
Emergency Services	-	-	-	-	-
Youth Camp	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 107,829</b>	<b>\$ 95,892</b>	<b>\$ 43,326</b>	<b>\$ 29,790</b>	<b>\$ 7,039</b>



**SAUNDERS COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR FUNDS**  
For the Year Ended June 30, 2021

	Drug Law Enforcement and Education Fund	Drug Testing Fund	Drug Court Program Fund	Federal Drug Law Enforcement Fund	Diversion Program - Youth Services Grant Fund	Victim's Assistance Program
<b>RECEIPTS</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	1,080	-	-	-
Miscellaneous	-	-	-	-	55,000	-
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>-</u>	<u>1,080</u>	<u>-</u>	<u>55,000</u>	<u>-</u>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	-	-	99	2,106	20,593	457
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>99</u>	<u>2,106</u>	<u>20,593</u>	<u>457</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>981</u>	<u>(2,106)</u>	<u>34,407</u>	<u>(457)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	981	(2,106)	34,407	(457)
<b>FUND BALANCES - BEGINNING</b>	<u>2,049</u>	<u>20</u>	<u>-</u>	<u>2,106</u>	<u>5,916</u>	<u>11,943</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 2,049</u>	<u>\$ 20</u>	<u>\$ 981</u>	<u>\$ -</u>	<u>\$ 40,323</u>	<u>\$ 11,486</u>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-
Drug Education	2,049	-	-	-	-	-
Law Enforcement	-	-	-	-	40,323	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road Maintenance	-	-	-	-	-	-
Communications Towers	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Federal Relief	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	20	981	-	-	-
Aid and Assistance	-	-	-	-	-	11,486
County Buildings	-	-	-	-	-	-
Disaster Recovery	-	-	-	-	-	-
Emergency Services	-	-	-	-	-	-
Youth Camp	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 2,049</u>	<u>\$ 20</u>	<u>\$ 981</u>	<u>\$ -</u>	<u>\$ 40,323</u>	<u>\$ 11,486</u>

**SAUNDERS COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR FUNDS**  
For the Year Ended June 30, 2021

	Disaster Fund	COVID American Rescue Plan Fund	E911 Emergency Management Fund	911 Wireless Service Fund	Emergency Management Fund	Correctional Center Commissary Fund
<b>RECEIPTS</b>						
Taxes	\$ -	\$ -	\$ 56,811	\$ 68,180	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Intergovernmental	345,578	2,095,637	-	-	39,705	-
Charges for Services	-	-	32,043	-	-	338,298
Miscellaneous	-	-	-	-	-	5,953
<b>TOTAL RECEIPTS</b>	<b>345,578</b>	<b>2,095,637</b>	<b>88,854</b>	<b>68,180</b>	<b>39,705</b>	<b>344,251</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	-	-	80,426	19,414	76,511	318,586
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>-</b>	<b>80,426</b>	<b>19,414</b>	<b>76,511</b>	<b>318,586</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>345,578</b>	<b>2,095,637</b>	<b>8,428</b>	<b>48,766</b>	<b>(36,806)</b>	<b>25,665</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	32,609	-
Transfers out	-	-	-	(48,647)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(48,647)</b>	<b>32,609</b>	<b>-</b>
Net Change in Fund Balances	345,578	2,095,637	8,428	119	(4,197)	25,665
<b>FUND BALANCES - BEGINNING</b>	<b>32,866</b>	<b>-</b>	<b>86,065</b>	<b>242,870</b>	<b>17,803</b>	<b>65,835</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 378,444</b>	<b>\$ 2,095,637</b>	<b>\$ 94,493</b>	<b>\$ 242,989</b>	<b>\$ 13,606</b>	<b>\$ 91,500</b>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
Emergency Services	-	-	94,493	242,989	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Road Maintenance	-	-	-	-	-	-
Communications Towers	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Federal Relief	-	2,095,637	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	91,500
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Disaster Recovery	378,444	-	-	-	-	-
Emergency Services	-	-	-	-	13,606	-
Youth Camp	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 378,444</b>	<b>\$ 2,095,637</b>	<b>\$ 94,493</b>	<b>\$ 242,989</b>	<b>\$ 13,606</b>	<b>\$ 91,500</b>

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

For the Year Ended June 30, 2021

	Law Enforcement Center & Jail Bond Fund	County Building Fund	Flood Control Project Fund	Youth Camp Fund	Total Nonmajor Funds
<b>RECEIPTS</b>					
Taxes	\$ 956,738	\$ 94,114	\$ 72,208	\$ -	\$ 1,277,039
Licenses and Permits	-	-	-	-	8,500
Investment Income	5,534	-	-	-	6,753
Intergovernmental	98,865	9,702	7,442	-	3,644,999
Charges for Services	-	-	-	-	417,351
Miscellaneous	3,082	-	-	50	64,897
<b>TOTAL RECEIPTS</b>	<b>1,064,219</b>	<b>103,816</b>	<b>79,650</b>	<b>50</b>	<b>5,419,539</b>
<b>DISBURSEMENTS</b>					
General Government	-	426,165	-	-	436,709
Public Safety	-	-	-	-	839,584
Public Works	-	-	3,272	-	924,641
Public Assistance	-	-	-	-	90,677
Culture and Recreation	-	-	-	-	3,068
Debt Service:					
Principal Payments	870,000	-	-	-	870,000
Interest and Fiscal Charges	68,391	-	-	-	68,391
<b>TOTAL DISBURSEMENTS</b>	<b>938,391</b>	<b>426,165</b>	<b>3,272</b>	<b>-</b>	<b>3,233,070</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>125,828</b>	<b>(322,349)</b>	<b>76,378</b>	<b>50</b>	<b>2,186,469</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	200,000	-	-	342,996
Transfers out	-	-	-	-	(48,647)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>294,349</b>
Net Change in Fund Balances	125,828	(122,349)	76,378	50	2,480,818
<b>FUND BALANCES - BEGINNING</b>	<b>961,097</b>	<b>526,155</b>	<b>857,107</b>	<b>6,794</b>	<b>4,575,024</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,086,925</b>	<b>\$ 403,806</b>	<b>\$ 933,485</b>	<b>\$ 6,844</b>	<b>\$ 7,055,842</b>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	89,811
Emergency Services	-	-	933,485	-	1,270,967
Drug Education	-	-	-	-	2,049
Law Enforcement	-	-	-	-	40,323
Preservation of Records	-	-	-	-	107,829
Debt Service	1,086,925	-	-	-	1,086,925
Road Maintenance	-	-	-	-	1,193,492
Communications Towers	-	-	-	-	33,926
Child Support Enforcement	-	-	-	-	52,149
Federal Relief	-	-	-	-	2,095,637
Committed to:					
Law Enforcement	-	-	-	-	129,330
Aid and Assistance	-	-	-	-	150,704
County Buildings	-	403,806	-	-	403,806
Disaster Recovery	-	-	-	-	378,444
Emergency Services	-	-	-	-	13,606
Youth Camp	-	-	-	6,844	6,844
<b>TOTAL FUND BALANCES</b>	<b>\$ 1,086,925</b>	<b>\$ 403,806</b>	<b>\$ 933,485</b>	<b>\$ 6,844</b>	<b>\$ 7,055,842</b>

**SAUNDERS COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2021

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	Veterans' Service Officer
BALANCES JULY 1, 2020	\$ 14,300	\$ 59,770	\$ 192,600	\$ 38,640	\$ 648	\$ 100	\$ 7,088
RECEIPTS							
Taxes	12,200	-	-	151,013	-	-	-
Licenses and Permits	3,100	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	205,979	-
Charges for Services	27,028	339,702	32,782	1,473,493	180	-	-
Miscellaneous	40,146	353	597	26,531	17	33,460	3
State Fees	36	389,027	37,029	1,229	-	-	-
Other Liabilities	4,470	1,570	3,065,277	566,571	5,984	-	-
TOTAL RECEIPTS	86,980	730,652	3,135,685	2,218,837	6,181	239,439	3
DISBURSEMENTS							
Payments to County Treasurer	18,611	336,535	34,068	1,627,912	220	239,198	-
Payments to State Treasurer	31	378,140	37,439	1,185	-	-	-
Petty Cash	40,146	353	597	8,788	17	241	325
Other Liabilities	4,720	1,570	3,099,929	566,157	6,392	-	-
TOTAL DISBURSEMENTS	63,508	716,598	3,172,033	2,204,042	6,629	239,439	325
BALANCES JUNE 30, 2021	\$ 37,772	\$ 73,824	\$ 156,252	\$ 53,435	\$ 200	\$ 100	\$ 6,766
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 25,255	\$ 32,154	\$ 2,980	\$ 40,175	\$ -	\$ -	\$ 6,766
Petty Cash	12,500	500	500	4,400	200	100	-
Due to State Treasurer	17	41,170	3,195	111	-	-	-
Due to Others	-	-	149,577	8,749	-	-	-
BALANCES JUNE 30, 2021	\$ 37,772	\$ 73,824	\$ 156,252	\$ 53,435	\$ 200	\$ 100	\$ 6,766

(Continued)

**SAUNDERS COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2021

	County Youth Services	County Planning & Zoning	County Transportation	County Treasurer	County Assessor	County Noxious Weed	Total
BALANCES JULY 1, 2020	\$ 100	\$ 1,625	\$ 10	\$ 300	\$ 200	\$ -	\$ 315,381
RECEIPTS							
Taxes	-	-	-	-	-	-	163,213
Licenses and Permits	-	190,315	-	-	-	-	193,415
Intergovernmental	3,800	-	89,158	-	-	-	298,937
Charges for Services	3,620	-	2,352	-	553	3,250	1,882,960
Miscellaneous	1,087	-	-	-	-	-	102,194
State Fees	-	-	-	-	-	-	427,321
Other Liabilities	401	-	-	-	-	-	3,644,273
TOTAL RECEIPTS	8,908	190,315	91,510	-	553	3,250	6,712,313
DISBURSEMENTS							
Payments to County Treasurer	7,470	191,840	91,520	-	553	3,250	2,551,177
Payments to State Treasurer	-	-	-	-	-	-	416,795
Petty Cash	537	-	-	-	-	-	51,004
Other Liabilities	401	-	-	-	-	-	3,679,169
TOTAL DISBURSEMENTS	8,408	191,840	91,520	-	553	3,250	6,698,145
BALANCES JUNE 30, 2021	\$ 600	\$ 100	\$ -	\$ 300	\$ 200	\$ -	\$ 329,549
BALANCES CONSIST OF:							
Due to County Treasurer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,330
Petty Cash	600	100	-	300	200	-	19,400
Due to State Treasurer	-	-	-	-	-	-	44,493
Due to Others	-	-	-	-	-	-	158,326
BALANCES JUNE 30, 2021	\$ 600	\$ 100	\$ -	\$ 300	\$ 200	\$ -	\$ 329,549

(Concluded)

**SAUNDERS COUNTY**  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED**  
**FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
June 30, 2021

Item	2016	2017	2018	2019	2020
Tax Certified by Assessor					
Real Estate	\$ 54,449,427	\$ 56,141,605	\$ 56,947,817	\$ 57,866,424	\$ 59,030,131
Personal and Specials	2,238,162	2,075,220	1,954,647	2,013,219	2,151,689
Total	<u>56,687,589</u>	<u>58,216,825</u>	<u>58,902,464</u>	<u>59,879,643</u>	<u>61,181,820</u>
Corrections					
Additions	15,985	19,812	37,559	32,805	7,532
Deductions	<u>(41,280)</u>	<u>(27,048)</u>	<u>(48,700)</u>	<u>(47,049)</u>	<u>(15,504)</u>
Net Additions/ (Deductions)	<u>(25,295)</u>	<u>(7,236)</u>	<u>(11,141)</u>	<u>(14,244)</u>	<u>(7,972)</u>
Corrected Certified Tax	<u>56,662,294</u>	<u>58,209,589</u>	<u>58,891,323</u>	<u>59,865,399</u>	<u>61,173,848</u>
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2017	34,909,552	-	-	-	-
June 30, 2018	21,701,981	37,212,270	-	-	-
June 30, 2019	42,520	20,981,080	36,173,401	-	-
June 30, 2020	476	8,887	22,502,351	36,362,915	-
June 30, 2021	<u>94</u>	<u>249</u>	<u>4,910</u>	<u>23,253,751</u>	<u>39,014,384</u>
Total Net Collections	<u>56,654,623</u>	<u>58,202,486</u>	<u>58,680,662</u>	<u>59,616,666</u>	<u>39,014,384</u>
Total Uncollected Tax	<u>\$ 7,671</u>	<u>\$ 7,103</u>	<u>\$ 210,661</u>	<u>\$ 248,733</u>	<u>\$ 22,159,464</u>
Percentage Uncollected Tax	<u>0.01%</u>	<u>0.01%</u>	<u>0.36%</u>	<u>0.42%</u>	<u>36.22%</u>

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

**SAUNDERS COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing	Pass-Through Entity Identifying Number	Total Federal Expenditures	Provided to Subrecipients
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
Passed through Platte County, Nebraska				
Homeland Security Grant Program	97.067	Unavailable	299	-
Passed through Nebraska Military Department				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	155-014CE-00	1,415,277	100,160
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	155-U5STT-00	4,100	-
Total - Disaster Grants - Public Assistance (Presidentially Declared Disasters)			* 1,419,377	100,160
Emergency Management Performance Grants	97.042	20-GA 8751-04	32,005	-
COVID-19 - Emergency Management Performance Grants	97.042	20-SR 8751-01	5,689	-
Total - Emergency Management Performance Grants			37,694	-
Total U.S. Department of Homeland Security			1,457,370	100,160
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed through Nebraska Department of Health and Human Services				
		51507 Y3		
Child Support Enforcement	93.563	51458 Y3	108,790	-
Social Services Block Grant	93.667	Unavailable	204	-
Total U.S. Department of Health and Human Services			108,994	-
<b>DEPARTMENT OF TRANSPORTATION</b>				
Passed through Nebraska Department of Transportation				
COVID-19 - Formula Grants for Rural Areas	20.509	C781(220)	85,535	-
Highway Safety Cluster:				
State and Community Highway Safety	20.600	7SPC2	2,079	-
National Priority Safety Programs	20.616	7SPC2	9,000	-
Total Highway Safety Cluster			11,079	-
Total U.S. Department of Transportation			96,614	-
<b>DEPARTMENT OF JUSTICE</b>				
Passed through Nebraska Commission on Law Enforcement and Criminal Justice				
Coronavirus Emergency Supplemental Funding	16.034	198-2021-CF9011	62,409	-
Total U.S. Department of Justice			62,409	-
<b>DEPARTMENT OF THE TREASURY</b>				
Passed through Nebraska Military Department				
Coronavirus Relief Fund	21.019	Unavailable	644,191	-
Total U.S. Department of the Treasury			644,191	-
<b>DEPARTMENT OF AGRICULTURE</b>				
Emergency Watershed Protection Program	10.923	Not Applicable	458,550	-
Total U.S. Department of Agriculture			458,550	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,828,128	\$ 100,160

\* Represents Major Program

See accompanying Notes to the Schedule of Expenditures of Federal Awards

## SAUNDERS COUNTY

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2021

**1. Basis of Presentation**

The accompanying schedule of expenditures of Federal awards (Schedule) includes the Federal award activity of Saunders County (County) under programs of the Federal government for the year ended June 30, 2021. 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 the 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. The County has elected to use the 10 percent de minimis indirect cost rate, as allowed under 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 reports expenditures of \$1,419,377 for this program, of which \$741,756 was incurred and paid prior to the fiscal year ended June 30, 2021.





## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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

Board of Supervisors  
Saunders County, Nebraska

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Saunders County's basic financial statements, and have issued our report thereon dated May 17, 2022. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and do not include the financial data of the Saunders County Medical Center, a component unit of Saunders County.

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

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the following deficiency in the County's internal control to be a significant deficiency:

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

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

### **Compliance and Other Matters**

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

### **Additional Items**

We also noted certain matters that we reported to the management of Saunders County in a separate letter dated May 17, 2022.

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

Saunders County's response to the finding identified in our audit is described above. Saunders County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

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



Zachary Wells, CPA, CISA  
Assistant Deputy Auditor  
Lincoln, Nebraska

May 17, 2022



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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### SAUNDERS 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 Supervisors  
Saunders County, Nebraska

#### **Report on Compliance for Each Major Federal Program**

We have audited Saunders 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 Saunders County's major Federal programs for the year ended June 30, 2021. Saunders County's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Saunders County's basic financial statements do not include the financial data of the Saunders County Medical Center, a component unit of Saunders County.

#### **Management's Responsibility**

Management is responsible for compliance with the Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

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

Our responsibility is to express an opinion on compliance for each of Saunders County's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Saunders County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of Saunders County's compliance with those requirements.

#### **Opinion on Each Major Federal Program**

In our opinion, Saunders County complied, in all material respects, with the types of 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, 2021.

## **Report on Internal Control Over Compliance**

Management of Saunders County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Saunders County's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Saunders County's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of the 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.



Zachary Wells, CPA, CISA  
Assistant Deputy Auditor  
Lincoln, Nebraska

May 17, 2022

SAUNDERS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

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 ☒ None Reported

Significant deficiencies identified? ☒ Yes ☐ No

Noncompliance material to financial statements noted? ☐ Yes ☒ None Reported

**Federal Awards**

Internal control over major programs:

Material weaknesses identified? ☐ Yes ☒ None Reported

Significant deficiencies identified? ☐ Yes ☒ 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 ☒ No

Major programs: **Disaster Grants – Public Assistance (Presidentially Declared Disasters): AL #97.036**

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

\$750,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

SAUNDERS COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
(Concluded)

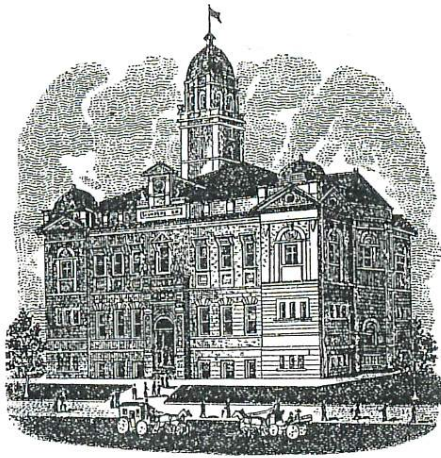
**Section II – Financial Statement Findings**

**Finding # 2021-1**

<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 segregate accounting functions properly.
<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**



## *Saunders County Board of Supervisors*

*P.O. Box 61*

*Wahoo, NE 68066*

*(402) 443-8101*

*Fax (402) 443-5709*

### **CORRECTIVE ACTION PLAN**

Year Ended June 30, 2021

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

#### Finding 2021-1 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

David N. Lutton, Chairperson  
Saunders County Board of Supervisors  
May 17, 2022

Dave Lutton  
District #1

John Zaugg  
District #2

Craig Breunig  
District #3

Scott Sukstorf  
District #4

John Smaus  
District #5

Tom Hrdlicka  
District #6

Frank Albrecht  
District #7



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Charlie Janssen  
State Auditor

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PO Box 98917  
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Lincoln, Nebraska 68509  
402-471-2111, FAX 402-471-3301  
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May 17, 2022

Board of Supervisors  
Saunders County, Nebraska

Dear Supervisors:

We have audited the basic financial statements of Saunders County (County) for the fiscal year ended June 30, 2021, and have issued our report thereon dated May 17, 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

#### Expenditures in Excess of Budget

For the fiscal year ended June 30, 2021, the expenditures in the County Relief-Medical function of the General Fund exceeded the adopted budget by \$7,574. Additionally, the expenditures in the Correctional Center Commissary Fund exceeded the adopted budget by \$65,061.

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

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

When expenditures are made in excess of amounts budgeted, with no appropriations adjustments by the County Board to address those excesses, the County is not in compliance with State statute.

A similar finding was noted in the prior audit.

We recommend the County Board implement procedures for monitoring closely its budget status on an ongoing basis to avoid paying expenditures in excess of the budgeted amount.

#### Advanced Payment

In June 2021, claim number 21060191 was approved to the Nebraska Machinery Company for the purchase of a motor grader, totaling \$263,960. However, this piece of equipment was not received by the County until August 31, 2021.



Neb. Rev. Stat. § 23-135(2) (Reissue 2012) states the following, in relevant part:

*A county board may by resolution, which resolution constitutes a claim pursuant to subsection (1) of section 23-1303, approve the payment for a particular piece of personal property prior to the receipt of such property by the county.*

No such resolution was completed for the advance payment in question.

Additionally, good internal controls require procedures to ensure that payments are issued only after the property has been received or the County Board approves a resolution authorizing an advance payment.

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

We recommend the County Board implement procedures to ensure claims are approved only after the property has been received or the required resolution authorizing the advance payment is approved by the County Board.

### **Possible Impermissible Gratuity**

In January 2021, the County Board approved a \$1,500 “one-time bonus (COVID)” for the Correctional Administrator. According to the County Sheriff, this bonus was related to additional work caused by the COVID-19 pandemic during 2020.

For the reasons set out below, the APA questions the constitutionality of this bonus payment.

Article III, § 19, of the Nebraska Constitution provides, in relevant part, the following:

*The Legislature shall never grant any extra compensation to any public officer, agent, or servant after the services have been rendered nor to any contractor after the contract has been entered into, except that retirement benefits of retired public officers and employees may be adjusted to reflect changes in the cost of living and wage levels that have occurred subsequent to the date of retirement.*

(Emphasis added). The Nebraska Attorney General (Attorney General) has summarized this constitutional provision by explaining, “Nebraska law generally requires work be performed in order for payment to be received.” Op. Att’y Gen. 95071 (Sept. 13, 1995).

According to the Nebraska Supreme Court (Court), “[T]he prohibition contained in Article III, section 19, Constitution of Nebraska, applies to the state and to all political subdivisions thereof.” *Retired City Civilian Employees Club of City of Omaha v. City of Omaha Employees’ Retirement System et al.*, 199 Neb. 507, 512, 260 N.W.2d 472, 475 (1977). Consequently, this constitutional prohibition is applicable to the County.

Discussing the terminology found in Article III, § 19, the Court has explained, “A payment of compensation to a public servant constitutes extra compensation whenever there is no legal obligation to pay such compensation.” *Myers v. Nebraska Equal Opportunity Com’n*, 255 Neb. 156, 163, 582 N.W.2d 362, 367 (1998) (quoting *Matter of Mullane v. McKenzie*, 269 N.Y. 369, 377, 199 N.E. 624, 627 (1936)).

The Attorney General has shed additional light on the prohibition in Article III, §19, as follows:

*As we stated in Op. Att’y Gen. No. 94064 (August 22, 1994), the purpose of state constitutional provisions such as Art. III, § 19 which prohibit extra compensation to public employees after services are rendered is to prevent payments in the nature of gratuities for past services.*

(Emphasis added). Op. Att’y Gen. No. 95063 (Aug. 9, 1993). In determining whether a violation of Article III, § 19, has occurred, the Court has emphasized the importance of timing in the decision to pay the compensation at issue:

*We have said that when the “services” for which compensation is granted are rendered prior to the date on which the terms of compensation are determined, the “benefits awarded are not compensation but are a gratuity.” See *Wilson v. Marsh*, 162 Neb. 237, 252, 75 N.W.2d 723, 732 (1956). It follows that when the “services” for which compensation is paid are rendered after the date on which the terms of compensation are established, the benefits awarded are not a gratuity.*

(Emphasis added). *City of Omaha v. City of Elkhorn*, 276 Neb. 70, 83, 752 N.W.2d 137, 147 (2008). In light of the above information, the APA questions the constitutionality of the bonus payment at issue – especially since it appears to have been granted for past services rendered.

Good internal controls require procedures to ensure that any payments, including bonuses, to County employees are both constitutionally permissible and made in strict accordance with any applicable statutory provisions.

Without such procedures, there is an increased risk of improper payments being made.

We recommend the County implement procedures to ensure all payments made by the County are constitutionally permissible and in accordance with any applicable statutory provisions.

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

##### **Overdue Case Account Report**

We tested 10 balances due to the District Court, totaling \$9,539, and noted that no action was taken to collect or otherwise resolve any of those balances.

As of June 30, 2021, the Overdue Case Account Report contained 415 overdue balances related to criminal cases, totaling \$144,395. Only nine cases noted had a current warrant or suspension.

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

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

A similar finding was noted in the prior audit.

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

#### **COUNTY SHERIFF**

##### **DARE Account**

The County Sheriff maintains a bank account used for donations to the Drug Abuse Resistance Education (DARE) program and related expenditures. During the fiscal year ended June 30, 2021, we noted that payments of \$1,001 were made, without County Board approval, from that account, which had a balance of \$309 as of June 30, 2021.

The County Board has not approved this account as a petty cash fund. Therefore, the County Sheriff lacks authority not only to maintain the account outside of the County Treasurer's control but also to spend money from it without the approval of the County Board.

Neb. Rev. Stat. § 23-1601(1) (Supp. 2021) states the following:

*It is the duty of the county treasurer to receive all money belonging to the county, from whatsoever source derived and by any method of payment provided by section 77-1702, and all other money which is by law directed to be paid to him or her. All money received by the county treasurer for the use of the county shall be paid out by him or her only on warrants issued by the county board according to law, except when special provision for payment of county money is otherwise made by law.*

The failure to remit public funds to the County Treasurer and to receive approval from the County Board for disbursements of that money both conflicts with State statute and increases the risk of loss, theft, or misuse of County funds.

We recommend the DARE account, along with all future donations and other monies deposited thereto, be remitted to the County Treasurer. If the County would like to keep these funds segregated, the County Board may consider establishing a separate DARE Fund. We further recommend all payments of County funds be made through the claims and warrant process of the County Board.

## 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 issue 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 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,



Zachary Wells, CPA, CISA  
Assistant Deputy Auditor