

**AUDIT REPORT  
OF  
NEMAHA COUNTY**

**JULY 1, 2021, THROUGH JUNE 30, 2022**

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**Issued on May 25, 2023**

NEMAHA COUNTY

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NEMAHA COUNTY  
1824 N Street  
Auburn, NE 68305

**LIST OF COUNTY OFFICIALS**  
At June 30, 2022

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Mike Hall Larry Holtzman Bryan Mellage	Jan. 2023 Jan. 2023 Jan. 2025
Assessor	Mallory Lempka	Jan. 2023
Attorney	Louie Ligouri	Jan. 2023
Clerk Election Commissioner Register of Deeds	Diane Johnson	Jan. 2023
Clerk of the District Court	Amy Hector	Jan. 2023
Sheriff	Brent Lottman	Jan. 2023
Treasurer	Jana Gerdes	Jan. 2023
Surveyor	Tom Catlett	Appointed
Veterans' Service Officer	Jim Reed	Appointed
Highway Superintendent	Mark Mainelli	Appointed
Emergency Manager	J. Renee Critser	Appointed
Weed Superintendent	Kevin Schlange	Appointed



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley  
State Auditor

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NEMAHA COUNTY

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Nemaha County, Nebraska

### Report on the Audit of Financial Statements

#### *Adverse and Unmodified Opinions*

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nemaha County, as of and for the year ended June 30, 2022, 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.

#### *Summary of Opinions*

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

#### *Adverse Opinion on Discretely Presented Component Unit*

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of Nemaha County, as of June 30, 2022, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Unmodified Opinions on Governmental Activities, Each Major Fund, and Aggregate Remaining Fund Information*

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

#### *Basis for Adverse and Unmodified Opinions*

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

*Matters Giving Rise to 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.

***Emphasis of Matter -- Basis of Accounting***

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

***Responsibilities of Management for the Financial Statements***

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 18 - 31, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2023, on our consideration of Nemaha County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Nemaha County’s internal control over financial reporting and compliance.



Mark Avery, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

May 11, 2023

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

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 4,917,213
Investments (Note 1.D)	1,258,180
<b>TOTAL ASSETS</b>	<b>\$ 6,175,393</b>
<b>NET POSITION</b>	
Restricted for:	
Visitor Promotion	\$ 42,251
911 Emergency Services	168,259
Law Enforcement	759
Preservation of Records	4,017
Federal Relief	1,257,764
Road and Bridge Projects	919,061
Unrestricted	3,783,282
<b>TOTAL NET POSITION</b>	<b>\$ 6,175,393</b>

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

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

<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	\$ (1,979,500)	\$ 371,717	\$ 47,804	\$ (1,559,979)
Public Safety	(2,481,472)	446,111	99,159	(1,936,202)
Public Works	(2,867,502)	3,055	1,703,542	(1,160,905)
Public Assistance	(43,796)	-	-	(43,796)
Culture and Recreation	(14,789)	-	-	(14,789)
Capital Outlay	(195,876)	-	-	(195,876)
<b>Total Governmental Activities</b>	<b>\$ (7,582,935)</b>	<b>\$ 820,883</b>	<b>\$ 1,850,505</b>	<b>(4,911,547)</b>

General Receipts:

Taxes	4,525,094
Grants and Contributions Not Restricted to Specific Programs	1,226,241
Investment Income	9,153
Licenses and Permits	31,211
Miscellaneous	74,015
<b>Total General Receipts</b>	<b>5,865,714</b>
 Change in Net Position	 954,167
Net Position - Beginning of year	5,221,226
<b>Net Position - End of year</b>	<b>\$ 6,175,393</b>

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



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

	General Fund	Road Fund	Inheritance Fund	Highway Bridge Buyback Program Fund	Road Bridge Improvement Fund	COVID American Rescue Plan Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash and Cash Equivalents (Note 1.D)	\$826,294	\$378,765	\$1,203,028	\$ 919,061	\$ 661,422	\$ -	\$ 928,643	\$ 4,917,213
Investments (Note 1.D)	416	-	-	-	-	1,257,764	-	1,258,180
<b>TOTAL ASSETS</b>	<u>\$826,710</u>	<u>\$378,765</u>	<u>\$1,203,028</u>	<u>\$ 919,061</u>	<u>\$ 661,422</u>	<u>\$ 1,257,764</u>	<u>\$ 928,643</u>	<u>\$ 6,175,393</u>
<b>FUND BALANCES</b>								
Restricted for:								
Visitor Promotion	-	-	-	-	-	-	42,251	42,251
911 Emergency Services	-	-	-	-	-	-	168,259	168,259
Law Enforcement	-	-	-	-	-	-	759	759
Preservation of Records	-	-	-	-	-	-	4,017	4,017
Federal Relief	-	-	-	-	-	1,257,764	-	1,257,764
Road and Bridge Projects	-	-	-	919,061	-	-	-	919,061
Committed to:								
Law Enforcement	-	-	-	-	-	-	52,274	52,274
Road and Bridge Maintenance	-	378,765	-	-	661,422	-	-	1,040,187
County Buildings	-	-	-	-	-	-	37,772	37,772
Future Compensation Benefits	-	-	-	-	-	-	15,283	15,283
Disaster Recovery	-	-	-	-	-	-	201,346	201,346
911 Emergency Services	-	-	-	-	-	-	25,557	25,557
Other Projects	-	-	-	-	-	-	344,075	344,075
Road Equipment	-	-	-	-	-	-	37,050	37,050
Assigned to:								
Other Purposes	-	-	1,203,028	-	-	-	-	1,203,028
Unassigned	826,710	-	-	-	-	-	-	826,710
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$826,710</u>	<u>\$378,765</u>	<u>\$1,203,028</u>	<u>\$ 919,061</u>	<u>\$ 661,422</u>	<u>\$ 1,257,764</u>	<u>\$ 928,643</u>	<u>\$ 6,175,393</u>

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

NEMAHA COUNTY  
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN CASH BASIS FUND BALANCES  
GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2022

	General Fund	Road Fund	Inheritance Fund	Highway Bridge Buyback Program Fund	Road Bridge Improvement Fund	COVID American Rescue Plan Fund	Nonmajor Funds	Total Governmental Funds
<b>RECEIPTS</b>								
Taxes	\$4,006,795	\$ 199	\$ 421,463	\$ -	\$ -	\$ -	\$ 96,637	\$ 4,525,094
Licenses and Permits	31,211	-	-	-	-	-	-	31,211
Investment Income	9,153	-	-	-	-	-	-	9,153
Intergovernmental	608,585	1,277,336	-	406,852	-	677,114	106,859	3,076,746
Charges for Services	769,826	3,055	-	-	-	-	48,002	820,883
Miscellaneous	24,488	15,445	-	-	-	-	34,082	74,015
<b>TOTAL RECEIPTS</b>	<b>5,450,058</b>	<b>1,296,035</b>	<b>421,463</b>	<b>406,852</b>	<b>-</b>	<b>677,114</b>	<b>285,580</b>	<b>8,537,102</b>
<b>DISBURSEMENTS</b>								
General Government	1,824,908	-	26,233	-	-	96,465	31,894	1,979,500
Public Safety	2,253,868	-	-	-	-	-	227,604	2,481,472
Public Works	-	2,496,223	-	143,536	25,072	-	202,671	2,867,502
Public Assistance	43,796	-	-	-	-	-	-	43,796
Culture and Recreation	-	-	-	-	-	-	14,789	14,789
Capital Outlay	-	-	-	-	-	-	195,876	195,876
<b>TOTAL DISBURSEMENTS</b>	<b>4,122,572</b>	<b>2,496,223</b>	<b>26,233</b>	<b>143,536</b>	<b>25,072</b>	<b>96,465</b>	<b>672,834</b>	<b>7,582,935</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>1,327,486</b>	<b>(1,200,188)</b>	<b>395,230</b>	<b>263,316</b>	<b>(25,072)</b>	<b>580,649</b>	<b>(387,254)</b>	<b>954,167</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	1,262,903	51,002	-	-	-	268,543	1,582,448
Transfers out	(1,449,668)	(5,000)	(100,000)	-	-	-	(27,780)	(1,582,448)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,449,668)</b>	<b>1,257,903</b>	<b>(48,998)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>240,763</b>	<b>-</b>
Net Change in Fund Balances	(122,182)	57,715	346,232	263,316	(25,072)	580,649	(146,491)	954,167
<b>CASH BASIS FUND BALANCES - BEGINNING</b>								
	948,892	321,050	856,796	655,745	686,494	677,115	1,075,134	5,221,226
<b>CASH BASIS FUND BALANCES - ENDING</b>								
	\$ 826,710	\$ 378,765	\$1,203,028	\$ 919,061	\$ 661,422	\$ 1,257,764	\$ 928,643	\$ 6,175,393

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

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

	<u>Custodial Fund Balances July 1, 2021</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Custodial Fund Balances June 30, 2022</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 573,054	\$ 17,713,451	\$ 17,825,108	\$ 461,397
<b>LIABILITIES</b>				
Due to other governments				
State - Collected by County Treasurer	203,079	1,791,295	1,824,502	169,872
State - Collected by Other Offices	4,426	97,704	92,645	9,485
Schools	158,345	11,805,879	11,834,555	129,669
Educational Service Units	1,295	180,647	180,748	1,194
Technical College	8,091	1,131,329	1,131,937	7,483
Natural Resource Districts	2,296	345,761	345,700	2,357
Fire Districts	2,019	329,806	330,225	1,600
Municipalities	37,879	1,358,702	1,364,610	31,971
Agricultural Society	407	56,895	56,925	377
Drainage Districts	54,423	163,723	192,153	25,993
Others - Collected by County Treasurer	31,680	181,733	184,806	28,607
Others - Collected by Other Offices	69,114	269,977	286,302	52,789
<b>TOTAL LIABILITIES</b>	<u>573,054</u>	<u>17,713,451</u>	<u>17,825,108</u>	<u>461,397</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.

NEMAHA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2022

1. **Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

Nemaha 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 Nemaha County Hospital (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 \$27,757 toward the operation of the Region during fiscal year 2022. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with the Southeast District 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).

NEMAHA 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 2022. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Cum. Supp. 2022). Financial information for the Department is available in that report.

South Region 911 Communication Services (911 Region) – The County has entered into an agreement the governing boards of the Public Safety Answering Points (PSAPs) of the City of Lincoln, City of Beatrice, City of Crete, City of Falls City, Cass County, Clay County, Fillmore County, Jefferson County, Johnson County, Pawnee County, Nuckolls County, Otoe County, Seward County, Thayer County, and York County to fund the planning, creation, and implementation of a 911 emergency call system for the southeast region of the State of Nebraska.

The governing board is established by interlocal agreement and includes representatives from the participating political subdivisions. Each political subdivision contributes to the financial support of the 911 Region based on formulas developed by the governing board. Funding is provided by a combination of Federal, State, local, and private funding. The County was named the fiscal agent for the 911 Region in 2016, and a separate County fund was created to account for the financial activity. The activity of this fund was included in the financial statements of the County and is included in this report. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement.

**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.

NEMAHA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

The County reports the following major governmental funds:

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

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

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

**Highway Bridge Buyback Program 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 purchase of Federal aid transportation funds at a discounted rate.

**Road Bridge Improvement Fund.** This fund is to set aside resources for future road and bridge projects and is primarily funded by transfers from other funds.

**COVID American Rescue Plan Fund.** This is used to account for aid received from the American Rescue Plan Act, Coronavirus State and Local Fiscal Recovery Funds and is used for coronavirus aid and assistance in accordance with Federal guidelines.

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

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

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

NEMAHA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

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

The County designates fund balances as follows:

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

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

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

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

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

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

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

D. **Assets and Net Position**

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

NEMAHA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Concluded)

**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 \$2,392,111 of restricted net position which is fully restricted by enabling legislation.

**Budgetary Process.** The County adopts an annual budget in accordance with the statutory requirements of the Nebraska Budget Act and County Budget Act of 1937. The budget is prepared on the cash receipts and disbursements basis of accounting. The budget contains only those receipts actually received by the County Treasurer. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.

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

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



NEMAHA COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

**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 \$4,917,213 for County funds and \$461,397 for Fiduciary funds. The bank balances for all funds totaled \$5,356,028. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2022, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$1,258,180 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a nine-member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

**3. Taxes**

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

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

The levy set in October 2021, for the 2021 taxes, which will be materially collected in May and September 2022, was set at \$.329806/\$100 of assessed valuation. The levy set in October 2020, for the 2020 taxes, which were materially collected in May and September 2021, was set at \$.345263/\$100 of assessed valuation. The amount collected for the motor vehicle tax is outlined in State statute.

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

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

**4. Retirement System**

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2334 (Reissue 2022) and may be amended through legislative action.

NEMAHA COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**4. Retirement System** (Concluded)

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, 2022, 74 employees contributed \$130,877, and the County contributed \$198,057. Contributions included \$6,946 in cash contributions towards the supplemental law enforcement plan for 16 law enforcement employees. Lastly, the County paid \$478 directly to seven retired employees for prior service benefits.

**5. Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 106 counties and local governments throughout Nebraska.

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

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

NEMAHA COUNTY

**NOTES TO FINANCIAL STATEMENTS**  
(Concluded)

**5. Risk Management** (Concluded)

	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, 2022, consisted of the following:

<u>Transfers to</u>	<u>Transfers from</u>				Total
	General Fund	Inheritance Fund	Road Fund	Nonmajor Funds	
Road Fund	\$ 1,262,903	\$ -	\$ -	\$ -	\$ 1,262,903
Inheritance Fund	51,002	-	-	-	51,002
Nonmajor Funds	135,763	100,000	5,000	27,780	268,543
Total	<u>\$ 1,449,668</u>	<u>\$ 100,000</u>	<u>\$ 5,000</u>	<u>\$ 27,780</u>	<u>\$ 1,582,448</u>

Transfers are used to move unrestricted receipts collected in the General Fund and Inheritance Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the year ended June 30, 2022, the County made a one-time transfer of \$5,000 from the Road Fund to the Vacation/Sick Leave Claim Reserve Fund to pay the accrued vacation and sick leave earned for road employee leave reserves. Additionally, the County made a one-time transfer of \$25,280 from the 911 Wireless Service Fund to the 911 Wireless Service Holding Fund to set aside funds for future 911 projects. Lastly, the County made a one-time transfer of \$2,500 from the 911 Emergency Management Fund to the 911 Emergency Comm. Study Agreement Fund to repay costs originally paid from the fund.

**7. Contingent Liabilities**

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

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 4,185,367	\$ 4,185,367	\$ 4,006,795	\$ (178,572)
Licenses and Permits	27,750	27,750	31,211	3,461
Investment Income	5,040	5,040	9,153	4,113
Intergovernmental	610,948	610,948	608,585	(2,363)
Charges for Services	737,936	737,936	769,826	31,890
Miscellaneous	6,400	6,400	24,488	18,088
<b>TOTAL RECEIPTS</b>	<u>5,573,441</u>	<u>5,573,441</u>	<u>5,450,058</u>	<u>(123,383)</u>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	85,841	85,841	81,359	4,482
County Clerk	149,208	149,208	147,101	2,107
County Treasurer	158,795	158,795	157,371	1,424
County Assessor	176,422	176,422	173,181	3,241
Election Commissioner	24,300	24,300	20,015	4,285
Clerk of the District Court	111,633	111,633	107,252	4,381
County Court System	5,750	5,750	1,916	3,834
District Judge	56,170	56,170	56,170	-
Building and Grounds	194,855	194,855	101,009	93,846
Agricultural Extension Agent	68,840	68,840	56,588	12,252
Flood Plain Administrator	12,265	12,265	12,231	34
Co Bldg Annex - Multi-Plek Bldg	72,750	72,750	36,577	36,173
Miscellaneous	1,046,839	1,046,839	874,138	172,701
Public Safety				
County Sheriff	1,412,168	1,412,168	1,146,400	265,768
County Attorney	169,367	169,367	169,367	-
Communication Center	394,758	394,758	317,802	76,956
County Jail	536,383	536,383	426,364	110,019
Emergency Management	159,024	159,024	137,310	21,714
Child Support	18,500	18,500	18,097	403
Four County Juvenile Services Aid	75,745	75,745	38,528	37,217
Public Assistance				
Veterans' Service Officer	39,600	39,600	37,797	1,803
Institutions	4,500	4,500	2,190	2,310
Relief	5,700	5,700	3,809	1,891
<b>TOTAL DISBURSEMENTS</b>	<u>4,979,413</u>	<u>4,979,413</u>	<u>4,122,572</u>	<u>856,841</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>594,028</u>	<u>594,028</u>	<u>1,327,486</u>	<u>733,458</u>

(Continued)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(1,292,903)	(1,292,903)	(1,449,668)	(156,765)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	(1,292,903)	(1,292,903)	(1,449,668)	(156,765)
Net Change in Fund Balance	(698,875)	(698,875)	(122,182)	576,693
<b>FUND BALANCE - BEGINNING</b>	948,875	948,875	948,892	17
<b>FUND BALANCE - ENDING</b>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 826,710</u>	<u>\$ 576,710</u>

(Concluded)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ 199	\$ 199
Intergovernmental	1,003,500	1,003,500	1,277,336	273,836
Charges for Services	-	-	3,055	3,055
Miscellaneous	5,700	5,700	15,445	9,745
<b>TOTAL RECEIPTS</b>	<u>1,009,200</u>	<u>1,009,200</u>	<u>1,296,035</u>	<u>286,835</u>
<b>DISBURSEMENTS</b>	<u>2,588,153</u>	<u>2,588,153</u>	<u>2,496,223</u>	<u>91,930</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(1,578,953)</u>	<u>(1,578,953)</u>	<u>(1,200,188)</u>	<u>378,765</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,262,903	1,262,903	1,262,903	-
Transfers out	(5,000)	(5,000)	(5,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,257,903</u>	<u>1,257,903</u>	<u>1,257,903</u>	<u>-</u>
Net Change in Fund Balance	(321,050)	(321,050)	57,715	378,765
FUND BALANCE - BEGINNING	321,050	321,050	321,050	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 378,765</u>	<u>\$ 378,765</u>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 75,000	\$ 75,000	\$ 421,463	\$ 346,463
<b>TOTAL RECEIPTS</b>	<u>75,000</u>	<u>75,000</u>	<u>421,463</u>	<u>346,463</u>
<b>DISBURSEMENTS</b>	<u>661,796</u>	<u>661,796</u>	<u>26,233</u>	<u>635,563</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(586,796)</u>	<u>(586,796)</u>	<u>395,230</u>	<u>982,026</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	30,000	30,000	51,002	21,002
Transfers out	(300,000)	(300,000)	(100,000)	200,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(270,000)</u>	<u>(270,000)</u>	<u>(48,998)</u>	<u>221,002</u>
Net Change in Fund Balance	(856,796)	(856,796)	346,232	1,203,028
FUND BALANCE - BEGINNING	856,796	856,796	856,796	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,203,028</u>	<u>\$ 1,203,028</u>

(Continued)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HIGHWAY BRIDGE BUYBACK PROGRAM FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 321,685	\$ 321,685	\$ 406,852	\$ 85,167
<b>TOTAL RECEIPTS</b>	<u>321,685</u>	<u>321,685</u>	<u>406,852</u>	<u>85,167</u>
<b>DISBURSEMENTS</b>	<u>977,430</u>	<u>977,430</u>	<u>143,536</u>	<u>833,894</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(655,745)</u>	<u>(655,745)</u>	<u>263,316</u>	<u>919,061</u>
Net Change in Fund Balance	(655,745)	(655,745)	263,316	919,061
FUND BALANCE - BEGINNING	<u>655,745</u>	<u>655,745</u>	<u>655,745</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 919,061</u>	<u>\$ 919,061</u>
<b>ROAD BRIDGE IMPROVEMENT FUND</b>				
<b>RECEIPTS</b>				
	\$ -	\$ -	\$ -	\$ -
<b>DISBURSEMENTS</b>	<u>686,494</u>	<u>686,494</u>	<u>25,072</u>	<u>661,422</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(686,494)</u>	<u>(686,494)</u>	<u>(25,072)</u>	<u>661,422</u>
Net Change in Fund Balance	(686,494)	(686,494)	(25,072)	661,422
FUND BALANCE - BEGINNING	<u>686,494</u>	<u>686,494</u>	<u>686,494</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 661,422</u>	<u>\$ 661,422</u>
<b>COVID AMERICAN RESCUE PLAN FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 677,114	\$ 677,114	\$ 677,114	\$ -
<b>TOTAL RECEIPTS</b>	<u>677,114</u>	<u>677,114</u>	<u>677,114</u>	<u>-</u>
<b>DISBURSEMENTS</b>	<u>1,354,229</u>	<u>1,354,229</u>	<u>96,465</u>	<u>1,257,764</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(677,115)</u>	<u>(677,115)</u>	<u>580,649</u>	<u>1,257,764</u>
Net Change in Fund Balance	(677,115)	(677,115)	580,649	1,257,764
FUND BALANCE - BEGINNING	<u>677,115</u>	<u>677,115</u>	<u>677,115</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,257,764</u>	<u>\$ 1,257,764</u>

(Concluded)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD EQUIPMENT FUND</b>				
Receipts	\$ 75,000	\$ 75,000	\$ 22,842	\$ (52,158)
Disbursements	(243,572)	(243,572)	(154,364)	89,208
Transfers in	100,000	100,000	100,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(68,572)	(68,572)	(31,522)	37,050
Fund Balance - Beginning	68,572	68,572	68,572	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,050</u>	<u>\$ 37,050</u>
<b>COUNTY VISITORS' PROMOTION FUND</b>				
Receipts	\$ 7,500	\$ 7,500	\$ 11,814	\$ 4,314
Disbursements	(18,071)	(18,071)	(5,289)	12,782
Net Change in Fund Balance	(10,571)	(10,571)	6,525	17,096
Fund Balance - Beginning	10,571	10,571	10,571	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,096</u>	<u>\$ 17,096</u>
<b>COUNTY VISITORS' IMPROVEMENT FUND</b>				
Receipts	\$ 7,500	\$ 7,500	\$ 11,814	\$ 4,314
Disbursements	(30,341)	(30,341)	(9,500)	20,841
Net Change in Fund Balance	(22,841)	(22,841)	2,314	25,155
Fund Balance - Beginning	22,841	22,841	22,841	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,155</u>	<u>\$ 25,155</u>
<b>PRESERVATION AND MODERNIZATION FUND</b>				
Receipts	\$ 5,000	\$ 5,000	\$ 6,348	\$ 1,348
Disbursements	(6,895)	(6,895)	(4,226)	2,669
Net Change in Fund Balance	(1,895)	(1,895)	2,122	4,017
Fund Balance - Beginning	1,895	1,895	1,895	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,017</u>	<u>\$ 4,017</u>
<b>VACATION/SICK LEAVE CLAIM RESERVE FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(25,000)	(25,000)	(9,717)	15,283
Transfers in	5,000	5,000	5,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(20,000)	(20,000)	(4,717)	15,283
Fund Balance - Beginning	20,000	20,000	20,000	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,283</u>	<u>\$ 15,283</u>



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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>JUVENILE DIVERSION PROGRAM FUND</b>				
Receipts	\$ 33,206	\$ 33,206	\$ 36,005	\$ 2,799
Disbursements	(33,206)	(33,206)	(1,833)	31,373
Net Change in Fund Balance	-	-	34,172	34,172
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,172</u>	<u>\$ 34,172</u>
<b>DIVERSION PROGRAM STOP FUND</b>				
Receipts	\$ 2,500	\$ 2,500	\$ 1,500	\$ (1,000)
Disbursements	(7,618)	(7,618)	(3,622)	3,996
Net Change in Fund Balance	(5,118)	(5,118)	(2,122)	2,996
Fund Balance - Beginning	5,118	5,118	5,118	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,996</u>	<u>\$ 2,996</u>
<b>FEDERAL DRUG FORFEITURE FUND</b>				
Receipts	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Disbursements	(10,500)	(10,500)	-	10,500
Net Change in Fund Balance	(500)	(500)	-	500
Fund Balance - Beginning	500	500	500	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 500</u>
<b>CANINE DOG FUND</b>				
Receipts	\$ 7,500	\$ 7,500	\$ -	\$ (7,500)
Disbursements	(8,098)	(8,098)	(945)	7,153
Transfers in	-	-	500	500
Transfers out	-	-	-	-
Net Change in Fund Balance	(598)	(598)	(445)	153
Fund Balance - Beginning	598	598	598	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 153</u>
<b>FEDERAL CRIME GRANT FUND</b>				
Receipts	\$ 3,000	\$ 3,000	\$ 1,336	\$ (1,664)
Disbursements	(3,723)	(3,723)	(1,800)	1,923
Net Change in Fund Balance	(723)	(723)	(464)	259
Fund Balance - Beginning	723	723	723	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259</u>	<u>\$ 259</u>

(Continued)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>DISASTER FUND</u></b>				
Receipts	\$ 500,000	\$ 500,000	\$ 28,945	\$ (471,055)
Disbursements	(710,991)	(710,991)	(38,590)	672,401
Net Change in Fund Balance	(210,991)	(210,991)	(9,645)	201,346
Fund Balance - Beginning	210,991	210,991	210,991	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,346</u>	<u>\$ 201,346</u>
<b><u>911 EMERGENCY MANAGEMENT FUND</u></b>				
Receipts	\$ 275,000	\$ 275,000	\$ 24,521	\$ (250,479)
Disbursements	(332,551)	(332,551)	(40,228)	292,323
Transfers in	30,000	30,000	-	(30,000)
Transfers out	-	-	(2,500)	(2,500)
Net Change in Fund Balance	(27,551)	(27,551)	(18,207)	9,344
Fund Balance - Beginning	27,551	27,551	27,551	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,344</u>	<u>\$ 9,344</u>
<b><u>911 WIRELESS SERVICE FUND</u></b>				
Receipts	\$ 48,488	\$ 48,488	\$ 48,488	\$ -
Disbursements	(47,500)	(47,500)	(23,208)	24,292
Transfers in	-	-	-	-
Transfers out	(988)	(988)	(25,280)	(24,292)
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>911 WIRELESS SERVICE HOLDING FUND</u></b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(229,683)	(229,683)	(95,060)	134,623
Transfers in	988	988	25,280	24,292
Transfers out	-	-	-	-
Net Change in Fund Balance	(228,695)	(228,695)	(69,780)	158,915
Fund Balance - Beginning	228,695	228,695	228,695	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,915</u>	<u>\$ 158,915</u>
<b><u>LAW ENFORCEMENT OPERATING FUND</u></b>				
Receipts	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Disbursements	(10,071)	(10,071)	-	10,071
Net Change in Fund Balance	(71)	(71)	-	71
Fund Balance - Beginning	71	71	71	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71</u>	<u>\$ 71</u>

(Continued)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>JAIL COMMISSARY FUND</b>				
Receipts	\$ 6,000	\$ 6,000	\$ 6,889	\$ 889
Disbursements	(17,856)	(17,856)	(3,925)	13,931
Net Change in Fund Balance	(11,856)	(11,856)	2,964	14,820
Fund Balance - Beginning	11,856	11,856	11,918	62
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,882</u>	<u>\$ 14,882</u>
<b>COUNTY BUILDINGS FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(250,000)	(250,000)	(12,228)	237,772
Transfers in	200,000	200,000	-	(200,000)
Transfers out	-	-	-	-
Net Change in Fund Balance	(50,000)	(50,000)	(12,228)	37,772
Fund Balance - Beginning	50,000	50,000	50,000	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,772</u>	<u>\$ 37,772</u>
<b>911 EMERGENCY COMM. STUDY AGREEMENT FUND</b>				
Receipts	\$ 350,000	\$ 350,000	\$ 75,078	\$ (274,922)
Disbursements	(324,962)	(324,962)	(56,983)	267,979
Transfers in	-	-	2,500	2,500
Transfers out	(30,000)	(30,000)	-	30,000
Net Change in Fund Balance	(4,962)	(4,962)	20,595	25,557
Fund Balance - Beginning	4,962	4,962	4,962	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,557</u>	<u>\$ 25,557</u>
<b>OTHER CAPITAL PROJECTS FUND</b>				
Receipts	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Disbursements	(420,128)	(420,128)	(211,316)	208,812
Transfers in	-	-	135,263	135,263
Transfers out	-	-	-	-
Net Change in Fund Balance	(410,128)	(410,128)	(66,053)	344,075
Fund Balance - Beginning	410,128	410,128	410,128	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344,075</u>	<u>\$ 344,075</u>

(Concluded)

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

For the Year Ended June 30, 2022

	Road Equipment Fund	County Visitors' Promotion Fund	County Visitors' Improvement Fund	Preservation and Modernization Fund	Vacation/Sick Leave Claim Reserve Fund
<b>RECEIPTS</b>					
Taxes	\$ -	\$ 11,814	\$ 11,814	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	6,348	-
Miscellaneous	22,842	-	-	-	-
<b>TOTAL RECEIPTS</b>	<u>22,842</u>	<u>11,814</u>	<u>11,814</u>	<u>6,348</u>	<u>-</u>
<b>DISBURSEMENTS</b>					
General Government	-	-	-	4,226	-
Public Safety	-	-	-	-	-
Public Works	154,364	-	-	-	9,717
Culture and Recreation	-	5,289	9,500	-	-
Capital Outlay	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>154,364</u>	<u>5,289</u>	<u>9,500</u>	<u>4,226</u>	<u>9,717</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(131,522)</u>	<u>6,525</u>	<u>2,314</u>	<u>2,122</u>	<u>(9,717)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	100,000	-	-	-	5,000
Transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Net Change in Fund Balances	(31,522)	6,525	2,314	2,122	(4,717)
<b>FUND BALANCES - BEGINNING</b>	<u>68,572</u>	<u>10,571</u>	<u>22,841</u>	<u>1,895</u>	<u>20,000</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 37,050</u>	<u>\$ 17,096</u>	<u>\$ 25,155</u>	<u>\$ 4,017</u>	<u>\$ 15,283</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	17,096	25,155	-	-
911 Emergency Services	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	4,017	-
Committed to:					
Law Enforcement	-	-	-	-	-
County Buildings	-	-	-	-	-
Future Compensation Benefits	-	-	-	-	15,283
Disaster Recovery	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Other Projects	-	-	-	-	-
Road Equipment	37,050	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 37,050</u>	<u>\$ 17,096</u>	<u>\$ 25,155</u>	<u>\$ 4,017</u>	<u>\$ 15,283</u>

(Continued)

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

For the Year Ended June 30, 2022

	Juvenile Diversion Program Fund	Diversion Program Stop Fund	Federal Drug Forfeiture Fund	Canine Dog Fund	Federal Crime Grant Fund	Disaster Fund
<b>RECEIPTS</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	1,500	-	-	1,336	28,945
Charges for Services	36,005	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<u>36,005</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,336</u>	<u>28,945</u>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	1,833	3,622	-	945	1,800	-
Public Works	-	-	-	-	-	38,590
Culture and Recreation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>1,833</u>	<u>3,622</u>	<u>-</u>	<u>945</u>	<u>1,800</u>	<u>38,590</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>34,172</u>	<u>(2,122)</u>	<u>-</u>	<u>(945)</u>	<u>(464)</u>	<u>(9,645)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	500	-	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	34,172	(2,122)	-	(445)	(464)	(9,645)
<b>FUND BALANCES - BEGINNING</b>	<u>-</u>	<u>5,118</u>	<u>500</u>	<u>598</u>	<u>723</u>	<u>210,991</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 34,172</u>	<u>\$ 2,996</u>	<u>\$ 500</u>	<u>\$ 153</u>	<u>\$ 259</u>	<u>\$ 201,346</u>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Law Enforcement	-	-	500	-	259	-
Preservation of Records	-	-	-	-	-	-
Committed to:						
Law Enforcement	34,172	2,996	-	153	-	-
County Buildings	-	-	-	-	-	-
Future Compensation Benefits	-	-	-	-	-	-
Disaster Recovery	-	-	-	-	-	201,346
911 Emergency Services	-	-	-	-	-	-
Other Projects	-	-	-	-	-	-
Road Equipment	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 34,172</u>	<u>\$ 2,996</u>	<u>\$ 500</u>	<u>\$ 153</u>	<u>\$ 259</u>	<u>\$ 201,346</u>

(Continued)

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

For the Year Ended June 30, 2022

	911 Emergency Management Fund	911 Wireless Service Fund	911 Wireless Service Holding Fund	Law Enforcement Operating Fund	Jail Commissary Fund
<b>RECEIPTS</b>					
Taxes	\$ 24,521	\$ 48,488	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	5,649
Miscellaneous	-	-	-	-	1,240
<b>TOTAL RECEIPTS</b>	<u>24,521</u>	<u>48,488</u>	<u>-</u>	<u>-</u>	<u>6,889</u>
<b>DISBURSEMENTS</b>					
General Government	-	-	-	-	-
Public Safety	40,228	23,208	95,060	-	3,925
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Capital Outlay	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>40,228</u>	<u>23,208</u>	<u>95,060</u>	<u>-</u>	<u>3,925</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(15,707)</u>	<u>25,280</u>	<u>(95,060)</u>	<u>-</u>	<u>2,964</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	25,280	-	-
Transfers out	(2,500)	(25,280)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,500)</u>	<u>(25,280)</u>	<u>25,280</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(18,207)	-	(69,780)	-	2,964
<b>FUND BALANCES - BEGINNING</b>	<u>27,551</u>	<u>-</u>	<u>228,695</u>	<u>71</u>	<u>11,918</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 9,344</u>	<u>\$ -</u>	<u>\$ 158,915</u>	<u>\$ 71</u>	<u>\$ 14,882</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	9,344	-	158,915	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	71	14,882
County Buildings	-	-	-	-	-
Future Compensation Benefits	-	-	-	-	-
Disaster Recovery	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Other Projects	-	-	-	-	-
Road Equipment	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 9,344</u>	<u>\$ -</u>	<u>\$ 158,915</u>	<u>\$ 71</u>	<u>\$ 14,882</u>

(Continued)

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

For the Year Ended June 30, 2022

	County Buildings Fund	911 Emergency Comm. Study Agreement Fund	Other Capital Projects Fund	Total Nonmajor Funds
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ -	\$ 96,637
Intergovernmental	-	75,078	-	106,859
Charges for Services	-	-	-	48,002
Miscellaneous	-	-	10,000	34,082
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>75,078</u>	<u>10,000</u>	<u>285,580</u>
<b>DISBURSEMENTS</b>				
General Government	12,228	-	15,440	31,894
Public Safety	-	56,983	-	227,604
Public Works	-	-	-	202,671
Culture and Recreation	-	-	-	14,789
Capital Outlay	-	-	195,876	195,876
<b>TOTAL DISBURSEMENTS</b>	<u>12,228</u>	<u>56,983</u>	<u>211,316</u>	<u>672,834</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(12,228)</u>	<u>18,095</u>	<u>(201,316)</u>	<u>(387,254)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	2,500	135,263	268,543
Transfers out	-	-	-	(27,780)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>2,500</u>	<u>135,263</u>	<u>240,763</u>
Net Change in Fund Balances	(12,228)	20,595	(66,053)	(146,491)
<b>FUND BALANCES - BEGINNING</b>	<u>50,000</u>	<u>4,962</u>	<u>410,128</u>	<u>1,075,134</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 37,772</u>	<u>\$ 25,557</u>	<u>\$ 344,075</u>	<u>\$ 928,643</u>
<b>FUND BALANCES:</b>				
Restricted for:				
Visitor Promotion	-	-	-	42,251
911 Emergency Services	-	-	-	168,259
Law Enforcement	-	-	-	759
Preservation of Records	-	-	-	4,017
Committed to:				
Law Enforcement	-	-	-	52,274
County Buildings	37,772	-	-	37,772
Future Compensation Benefits	-	-	-	15,283
Disaster Recovery	-	-	-	201,346
911 Emergency Services	-	25,557	-	25,557
Other Projects	-	-	344,075	344,075
Road Equipment	-	-	-	37,050
<b>TOTAL FUND BALANCES</b>	<u>\$ 37,772</u>	<u>\$ 25,557</u>	<u>\$ 344,075</u>	<u>\$ 928,643</u>

(Concluded)

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

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Extension Office	Veterans' Service Officer	Total
BALANCES JULY 1, 2021	\$ 8,287	\$ 67,054	\$ 4,474	\$ 5,910	\$ 25	\$ 2,833	\$ 88,583
<b>RECEIPTS</b>							
Taxes	-	-	5,997	-	-	-	5,997
Licenses and Permits	1,612	-	700	-	-	-	2,312
Intergovernmental	-	-	5,037	-	-	-	5,037
Charges for Services	74,337	17,416	66,158	2,868	-	-	160,779
Miscellaneous	1,345	-	1,946	-	4	-	3,295
State Fees	87,651	9,637	416	-	-	-	97,704
Other Liabilities	71	180,353	89,132	421	-	-	269,977
<b>TOTAL RECEIPTS</b>	<b>165,016</b>	<b>207,406</b>	<b>169,386</b>	<b>3,289</b>	<b>4</b>	<b>-</b>	<b>545,101</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	75,432	17,500	77,916	2,858	-	-	173,706
Payments to State Treasurer	81,645	10,584	416	-	-	-	92,645
Petty Cash & Other Payments	1,345	-	1,946	-	-	-	3,291
Other Liabilities	71	196,784	89,026	421	-	-	286,302
<b>TOTAL DISBURSEMENTS</b>	<b>158,493</b>	<b>224,868</b>	<b>169,304</b>	<b>3,279</b>	<b>-</b>	<b>-</b>	<b>555,944</b>
BALANCES JUNE 30, 2022	<u>\$ 14,810</u>	<u>\$ 49,592</u>	<u>\$ 4,556</u>	<u>\$ 5,920</u>	<u>\$ 29</u>	<u>\$ 2,833</u>	<u>\$ 77,740</u>
<b>BALANCES CONSIST OF:</b>							
Due to County Treasurer	\$ 5,459	\$ 1,493	\$ 1,728	\$ 1,124	\$ 4	\$ 2,833	\$ 12,641
Petty Cash	300	-	2,500	-	25	-	2,825
Due to State Treasurer	9,051	434	-	-	-	-	9,485
Due to Others	-	47,665	328	4,796	-	-	52,789
BALANCES JUNE 30, 2022	<u>\$ 14,810</u>	<u>\$ 49,592</u>	<u>\$ 4,556</u>	<u>\$ 5,920</u>	<u>\$ 29</u>	<u>\$ 2,833</u>	<u>\$ 77,740</u>



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

Item	2017	2018	2019	2020	2021
<b>Tax Certified by Assessor</b>					
Real Estate	\$ 14,931,468	\$ 15,270,032	\$ 14,956,668	\$ 14,754,218	\$ 15,266,415
Personal and Specials	841,344	635,628	989,643	1,007,850	1,064,907
<b>Total</b>	<u>15,772,812</u>	<u>15,905,660</u>	<u>15,946,311</u>	<u>15,762,068</u>	<u>16,331,322</u>
<b>Corrections</b>					
Additions	4,550	1,216	1,878	-	-
Deductions	(10,995)	(6,722)	(5,478)	(2,528)	(2,566)
Net Additions/ (Deductions)	<u>(6,445)</u>	<u>(5,506)</u>	<u>(3,600)</u>	<u>(2,528)</u>	<u>(2,566)</u>
<b>Corrected Certified Tax</b>	<u>15,766,367</u>	<u>15,900,154</u>	<u>15,942,711</u>	<u>15,759,540</u>	<u>16,328,756</u>
<b>Net Tax Collected by County Treasurer during Fiscal Year Ending:</b>					
June 30, 2018	9,855,874	-	-	-	-
June 30, 2019	5,883,342	9,873,497	-	-	-
June 30, 2020	15,264	6,004,425	9,873,258	-	-
June 30, 2021	7,422	13,199	6,047,504	10,205,773	-
June 30, 2022	864	4,491	9,295	5,539,704	11,148,944
<b>Total Net Collections</b>	<u>15,762,766</u>	<u>15,895,612</u>	<u>15,930,057</u>	<u>15,745,477</u>	<u>11,148,944</u>
<b>Total Uncollected Tax</b>	<u>\$ 3,601</u>	<u>\$ 4,542</u>	<u>\$ 12,654</u>	<u>\$ 14,063</u>	<u>\$ 5,179,812</u>
<b>Percentage Uncollected Tax</b>	<u>0.02%</u>	<u>0.03%</u>	<u>0.08%</u>	<u>0.09%</u>	<u>31.72%</u>

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



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley  
State Auditor

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

Board of Commissioners  
Nemaha 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 Nemaha County, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 11, 2023. 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 Nemaha County Hospital, a component unit of Nemaha County.

### **Report on Internal Control Over Financial Reporting**

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

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

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

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

**Report on Compliance and Other Matters**

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

**Additional Items**

We also noted certain matters that we reported to the management of Nemaha County in a separate letter dated May 11, 2023.

**Nemaha County’s Response to Findings**

Nemaha County declined to respond to the finding described above.

**Purpose of this Report**

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



Mark Avery, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

May 11, 2023



# NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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May 11, 2023

Board of Commissioners  
Nemaha County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Nemaha County (County) for the fiscal year ended June 30, 2022, and have issued our report thereon dated May 11, 2023. 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

### Employees Receiving Wages as Contractors

We noted three County employees were paid wages during the fiscal year through the claims process instead of the payroll process, and as a result retirement contributions and payroll taxes were not correctly withheld.

In March 2021, the County entered into a Memorandum of Understanding with the governing boards of Johnson County, Pawnee County, and Richardson County for the purpose of obtaining County Juvenile Services Aid Program Funds and pooling resources to provide juvenile diversion services for all of the counties involved. Nemaha County was named the fiscal agent for the purposes of applying for the program funds.

During the fiscal year, the County Board paid three of its employees the following additional wages through the claims process as independent contractors for diversion services provided to individuals over 18 years old and under 11 years old, as part of the four-county juvenile services program:

Employee Title	Claim Date	Amount
Four County Diversion Director (Terminated February 2022)	9/1/21 - 2/2/22	\$ 1,018
Four County Diversion Director	4/13/22	\$ 81
Four County Diversion Coordinator	4/13/22	\$ 149
<b>Total</b>		<b>\$ 1,248</b>

However, there were no signed service agreements on file with these three employees to pay them as independent contractors. Further, based on a discussion with the County Diversion Office, the County, in consultation with the other three counties, was responsible for hiring the Diversion Office employees, and overseeing the services provided, including when, how, and to whom the diversion services were provided. The Memorandum of Understanding also stated that the County will "employee [sic] individual(s) to implement the planned services throughout the four-county area." Therefore, it appears these individuals had an employer-employee relationship with the County.

Internal Revenue Service (IRS) Publication 15-A (2022), "Employer's Supplemental Tax Guide," requires an employer to withhold Federal income taxes, social security, and Medicare taxes and pay unemployment tax on wages paid to an employee. If an employee is misclassified as an independent contractor, the employer may be liable for employment taxes for that worker.

The IRS Publication also states, "Under common-law rules, anyone who performs services for you is your employee if you can control what will be done and how it will be done." When employees are paid as independent contractors, the County does not comply with IRS regulations.

Further, we noted that all three employees were members of County Employees' Retirement Plan [Plan], as they each had retirement contributions withheld from their wages paid through the payroll process during the fiscal year. According to the Nebraska County Employees Retirement System Handbook, revised January 2022, "Once you become a member, you are subject to all provisions of the Plan and cannot withdraw funds or cancel participation until you terminate employment at all employers participating in the plan."

Neb. Rev. Stat. § 23-2308(2) (Reissue 2022) of the County Employees Retirement Act states the following:

*The county clerk shall pay to the board or an entity designated by the board an amount equal to two hundred fifty percent of the amounts deducted from the compensation of employees in accordance with the provisions of section 23-2307, which two hundred fifty percent equals the employees' contributions plus the county's contributions of one hundred fifty percent of the employees' contributions.*

Further, Neb. Rev. Stat. § 23-2301(5)(a) (Reissue 2022) of the Act defines compensation as "gross wages or salaries payable to the member for personal services performed during the plan year." Therefore, the County should have withheld retirement contributions from the wages paid through the claims process.

Good internal controls and sound accounting practices require the County Board to implement procedures to ensure that employees are not misclassified as independent contractors, and the County is properly withholding taxes and retirement contributions, if applicable, on employee wages.

Without such procedures, there is an increased risk for not only noncompliance with IRS regulations but also loss or misuse of County funds.

We recommend the County Board implement procedures to ensure employees are not misclassified as independent contractors, and the County is properly withholding taxes and retirement contributions, if applicable, on employee wages.

### **Lack of Bidding for Gravel Purchases**

We noted that the County Board did not obtain bids for the purchase of gravel for county roads. However, the County paid a total of \$763,974 to Martin Marietta Materials, Inc., during the fiscal year for the purchase of gravel.

Neb. Rev. Stat. § 39-810(1)(c) (Cum. Supp. 2022) states the following:

*All contracts for materials for repairing, erecting, and constructing bridges and approaches thereto or culverts or for the purchase of gravel for roads, the cost and expense of which exceed twenty thousand dollars, shall be let to the lowest responsible bidder, but the board may reject any and all bids submitted for such materials.*

Additionally, good internal controls and sound business practices require procedures to ensure that all contracts for road gravel exceeding an estimated value of \$20,000 are properly bid and let to the lowest bidder, and documentation of the bidding process is maintained.

When required bidding procedures are not followed for road gravel purchases exceeding \$20,000, the County is not in compliance with State statute, and there is an increased risk for the loss and/or misuse of County funds.

We recommend the County Board implement procedures to ensure statutory bidding requirements are followed for all road gravel purchases.

**COUNTY ATTORNEY**

**Unknown Trust Balance**

As of June 30, 2022, the County Attorney had a trust balance of \$4,796, but he could not identify the recipient(s) of those funds. Although that amount has decreased slightly over the years, this issue has been noted in the prior 12 audit reports.

Neb. Rev. Stat. § 23-1207 (Reissue 2022) says, in relevant part, the following:

*(1) It shall be the duty of the county attorney, whenever he or she shall receive any money or other property in his or her official capacity, to give to the person paying or depositing such money or other property duplicate receipts, one of which shall be filed by such person with the county clerk.*

*(2) **Whenever any such money is received by the county attorney, he or she shall carefully manage it** and may, when the money cannot immediately be paid out to its rightful owner, deposit the money in interest-bearing accounts in insured banking or savings institutions. Any interest accrued from such deposit shall be paid over to the county treasurer to be credited to the county general fund, except that when the funds so deposited belonged to a deceased person whose personal representative has not yet been appointed by a court of competent jurisdiction, then the interest accruing on such money shall be paid to the estate of such person after the appointment of a personal representative and upon order of the court..*

*(3) Any property other than money which is received by the county attorney shall be held by him or her in safekeeping until claimed by the rightful owner or, if there is a dispute as to the ownership of such property, until ordered by a court of competent jurisdiction to give possession of the property to some person.*

(Emphasis added.) Additionally, Neb. Rev. Stat. § 84-1213(1) (Reissue 2014) states the following, as is relevant:

*All records made or received by or under the authority of or coming into the custody, control, or possession of state or local agencies in the course of their public duties are the property of the state or local agency concerned . . . .*

Thus, an elected official receives and assumes responsibility for properly managing any records or other property, including trust balances, held by the office at the time he or she undertakes his or her official duties. It is important, therefore, that the proper documentation be created – through the issuance of duplicate receipts, per § 23-1207(1) – and maintained to allow for the proper identification of the beneficiaries for any trust funds held by the County Attorney.

Furthermore, because they have been held for more than three years, the trust funds at issue must be presumed abandoned property under the Uniform Disposition of Unclaimed Property Act (Act), as set out at Neb. Rev. Stat. § 69-1301 et. seq. (Reissue 2018, Cum. Supp. 2022), and remitted to the State Treasurer.

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

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

Neb. Rev. Stat. § 69-1310 (Cum. Supp. 2022) provides, in relevant part, the following:

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

\* \* \* \*

*(d) The report shall be filed before November 1 of each year as of June 30 next preceding, but the report of life insurance corporations shall be filed before May 1 of each year as of December 31 next preceding. A one-time supplemental report shall be filed by life insurance corporations with regard to property subject to section 69-1307.05 before November 1, 2003, as of December 31, 2002, as if section 69-1307.05 had been in effect before January 1, 2003. The property must accompany the report unless excused by the State Treasurer for good cause. The State Treasurer may postpone the reporting date upon written request by any person required to file a report. Any person holding intangible property presumed abandoned due to be reported with a cumulative value of fifty dollars or less in a single reporting year shall not be required to report the property in that year but shall report the property in any year when the property value or total report value exceeds fifty dollars.*

(Emphasis added.) Good internal controls require procedures to ensure that proper documentation is created – through the issuance of duplicate receipts, per § 23-1207(1) – and maintained to allow for the accurate identification of the beneficiaries for all money held in trust by the County Attorney’s office. Those same procedures should ensure also that any such funds presumed abandoned are remitted timely to the State Treasurer, as required by statute.

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

We recommend the implementation of procedures to ensure the following: 1) proper documentation is created – through the issuance of duplicate receipts, per § 23-1207(1) – and maintained to allow for the accurate identification of the beneficiaries for all trust funds held by the County Attorney’s office; and 2) any such money presumed abandoned is remitted timely to the State Treasurer, as required by statute.

## COUNTY OVERALL

### Segregation of Duties

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.

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.

This was also noted in prior audits.

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

\* \* \* \* \*

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

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

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

Sincerely,

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

Mark Avery, CPA  
Assistant Deputy Auditor