

**AUDIT REPORT
OF
SALINE COUNTY**

JULY 1, 2021, THROUGH JUNE 30, 2022

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the Auditor of Public Accounts.**

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Issued on May 25, 2023

SALINE COUNTY

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SALINE COUNTY
204 South High Street
Wilber, NE 68465

LIST OF COUNTY OFFICIALS
At June 30, 2022

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Phil Hardenburger	Jan. 2023
	Janet Henning	Jan. 2025
	Russ Karpisek	Jan. 2025
	Marvin Kohout	Jan. 2025
	Stephanie Krivohlavek	Jan. 2023
Assessor	Brandi Kelly	Jan. 2023
Attorney	Tad Eickman	Jan. 2023
Clerk	Anita Bartels	Jan. 2023
Election Commissioner		
Register of Deeds		
Clerk of the District Court	Amber Mulberry	Jan. 2023
Sheriff	Alan Moore	Jan. 2023
Treasurer	Debbie Spanyers	Jan. 2023
Surveyor	Nick Siedschlag	Jan. 2023
Veterans' Service Officer	Scott Davis	Appointed
Highway Superintendent	Bruce Filipi	Appointed
Planning & Zoning	Lyle Weber	Appointed
Weed Superintendent		
Emergency Manager	John McKee	Appointed



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State Auditor

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SALINE COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Saline County, Nebraska

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also

responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, pages 21-37, 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 9, 2023, on our consideration of Saline 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 Saline County's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Rachel Wittler". The script is cursive and fluid, with the first letter of each word being capitalized and prominent.

Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska

May 9, 2023

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

	Governmental Activities
<hr/>	
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 9,956,500
Investments (Note 1.D)	3,280,438
TOTAL ASSETS	<u>\$ 13,236,938</u>
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 121,344
Emergency Services	473,556
Law Enforcement	3,063
Preservation of Records	11,742
Debt Service	746,362
Bridge & Road Projects	812,957
Child Support Enforcement	104,111
Coronavirus Relief and Assistance	2,697,033
Unrestricted	8,266,770
TOTAL NET POSITION	<u>\$ 13,236,938</u>

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

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

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (4,942,940)	\$ 520,941	\$ 128,752	\$ (4,293,247)
Public Safety	(4,018,443)	2,316,524	72,288	(1,629,631)
Public Works	(5,361,077)	7,686	2,825,057	(2,528,334)
Public Assistance	(228,244)	24,687	-	(203,557)
Culture and Recreation	(26,772)	-	-	(26,772)
Debt Payments	(769,396)	-	-	(769,396)
Total Governmental Activities	<u>\$ (15,346,872)</u>	<u>\$ 2,869,838</u>	<u>\$ 3,026,097</u>	<u>(9,450,937)</u>
General Receipts:				
Taxes				8,458,177
Grants and Contributions Not Restricted to Specific Programs				2,337,119
Investment Income				54,105
Licenses and Permits				73,261
County Roads Cost Reimbursement				641,506
Miscellaneous				167,093
Total General Receipts				<u>11,731,261</u>
Change in Net Position				2,280,324
Net Position - Beginning of year				10,956,614
Net Position - End of year				<u>\$ 13,236,938</u>

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

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

	General Fund	Road Fund	Inheritance Fund	COVID American Rescue Plan Fund	Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents (Note 1.D)	\$ 1,173,968	\$ 1,610,585	\$ 3,785,038	\$ 370	\$ 3,386,539	\$ 9,956,500
Investments (Note 1.D)	583,775	-	-	2,696,663	-	3,280,438
TOTAL ASSETS	<u>\$ 1,757,743</u>	<u>\$ 1,610,585</u>	<u>\$ 3,785,038</u>	<u>\$ 2,697,033</u>	<u>\$ 3,386,539</u>	<u>\$ 13,236,938</u>
FUND BALANCES						
Restricted for:						
Visitor Promotion	-	-	-	-	121,344	121,344
Emergency Services	-	-	-	-	473,556	473,556
Law Enforcement	-	-	-	-	3,063	3,063
Preservation of Records	-	-	-	-	11,742	11,742
Debt Service	-	-	-	-	746,362	746,362
Bridge & Road Projects	-	-	-	-	812,957	812,957
Child Support Enforcement	-	-	-	-	104,111	104,111
Coronavirus Relief and Assistance	-	-	-	2,697,033	-	2,697,033
Committed to:						
Law Enforcement	-	-	-	-	564,126	564,126
Bridge & Road Maintenance	-	1,610,585	-	-	318,688	1,929,273
Aid and Assistance	-	-	-	-	193,183	193,183
Bailiff Services	-	-	-	-	14,682	14,682
Employee Wellness	-	-	-	-	18,152	18,152
Drug Court	-	-	-	-	4,573	4,573
Assigned to:						
Other Purposes	-	-	3,785,038	-	-	3,785,038
Unassigned	1,757,743	-	-	-	-	1,757,743
TOTAL CASH BASIS FUND BALANCES	<u>\$ 1,757,743</u>	<u>\$ 1,610,585</u>	<u>\$ 3,785,038</u>	<u>\$ 2,697,033</u>	<u>\$ 3,386,539</u>	<u>\$ 13,236,938</u>

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

SALINE 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	COVID American Rescue Plan Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS						
Taxes	\$7,212,051	\$ -	\$ 568,636	\$ -	\$ 677,490	\$ 8,458,177
Licenses and Permits	65,791	7,470	-	-	-	73,261
Investment Income	52,741	-	-	1,305	59	54,105
Intergovernmental	873,219	2,145,166	-	1,381,422	963,409	5,363,216
Charges for Services	2,564,754	7,686	-	-	297,398	2,869,838
Miscellaneous	71,303	697,648	-	-	39,648	808,599
TOTAL RECEIPTS	10,839,859	2,857,970	568,636	1,382,727	1,978,004	17,627,196
DISBURSEMENTS						
General Government	4,841,047	-	2,536	67,121	32,236	4,942,940
Public Safety	3,537,021	-	-	-	481,422	4,018,443
Public Works	230,890	5,130,187	-	-	-	5,361,077
Public Assistance	157,949	-	-	-	70,295	228,244
Culture and Recreation	-	-	-	-	26,772	26,772
Debt Service:						
Principal Payments	-	-	-	-	645,000	645,000
Interest and Fiscal Charges	-	-	-	-	124,396	124,396
TOTAL DISBURSEMENTS	8,766,907	5,130,187	2,536	67,121	1,380,121	15,346,872
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	2,072,952	(2,272,217)	566,100	1,315,606	597,883	2,280,324
OTHER FINANCING SOURCES (USES)						
Transfers in	1,891,487	2,025,834	1,073,325	-	135,546	5,126,192
Transfers out	(3,109,050)	-	(1,946,330)	-	(70,812)	(5,126,192)
TOTAL OTHER FINANCING SOURCES (USES)	(1,217,563)	2,025,834	(873,005)	-	64,734	-
Net Change in Fund Balances	855,389	(246,383)	(306,905)	1,315,606	662,617	2,280,324
CASH BASIS FUND BALANCES - BEGINNING	902,354	1,856,968	4,091,943	1,381,427	2,723,922	10,956,614
CASH BASIS FUND BALANCES - ENDING	\$1,757,743	\$1,610,585	\$3,785,038	\$ 2,697,033	\$ 3,386,539	\$ 13,236,938

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

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

	Custodial Fund Balances July 1, 2021 (As Restated)	Receipts	Disbursements	Custodial Fund Balances June 30, 2022
ASSETS				
Cash and Cash Equivalents	\$ 966,347	\$ 37,138,861	\$ 37,093,955	\$ 1,011,253
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	348,432	3,800,520	3,784,633	364,319
State - Collected by Other Offices	13,891	165,448	168,330	11,009
Schools	333,185	25,112,738	25,092,500	353,423
Educational Service Units	3,274	378,158	377,997	3,435
Technical College	19,699	2,280,676	2,279,610	20,765
Natural Resource Districts	4,636	528,633	528,522	4,747
Fire Districts	3,420	296,521	296,999	2,942
Municipalities	121,341	3,242,219	3,284,644	78,916
Agricultural Society	986	113,543	113,494	1,035
Airport Authority	434	24,904	24,868	470
Historical Society	229	26,626	26,611	244
Hospital	1,587	159,252	159,862	977
Others - Collected by County Treasurer	1,650	229,595	228,940	2,305
Others - Collected by Other Offices	113,583	780,028	726,945	166,666
TOTAL LIABILITIES	<u>966,347</u>	<u>37,138,861</u>	<u>37,093,955</u>	<u>1,011,253</u>
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

SALINE 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 Saline County.

A. Reporting Entity

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

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

Joint Organization.

Behavioral Health Region 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 \$66,246 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 Public Health Solutions (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).

SALINE 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 contributed \$7,500 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.

Saline County Area Transit – The County has entered into an agreement with the Cities of Wilber, Friend, and Crete, and the Villages of Western, DeWitt, Swanton, Dorchester, and Tobias, to provide transportation for the elderly, handicapped, and the general public. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided under the Act.

The Saline County Area Transit's (SCAT) governing board consists of two representatives from each of the participating municipalities and one member of Saline County's Board of Commissioners. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$5,750 toward the operation of the SCAT during fiscal year 2022. In the event of termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. SCAT is subject to the reporting requirements of Neb. Rev. Stat. § 84-304(4) (Cum. Supp. 2022). Financial information for SCAT is available in those documents.

B. Basis of Presentation

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

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

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

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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

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.

COVID American Rescue Plan Fund. This fund is used to account for aid received from the American Rescue Plan Act, 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.

Debt Service Funds. The Courthouse Building Bond Fund and the Highway 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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Continued)

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.

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 \$4,970,168 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.

Excess of Disbursements Over Appropriations. For the year ended June 30, 2022, disbursements exceeded budgeted appropriations in the Miscellaneous and Noxious Weed Control functions of the General Fund by \$336,261 and \$834, respectively, and in the Juvenile Services Aid Grant Fund by \$29,025. These over-expenditures were funded by greater than anticipated receipts in the case of the General Fund and transfers in the Juvenile Services Aid Grant Fund.

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 \$9,956,500 for County funds and \$1,011,253 for Fiduciary funds. The bank balances for all funds totaled \$11,000,361. 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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$3,280,438 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 \$.322785/\$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 \$.322785/\$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.

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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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

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

For the year ended June 30, 2022, 137 employees contributed \$259,479, and the County contributed \$383,187. Contributions included \$12,032 in cash contributions towards the supplemental law enforcement plan for 19 law enforcement employees. Lastly, the County paid \$60 directly to one retired employee for prior service benefits.

5. **Risk Management**

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

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

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

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

5. Risk Management (Concluded)

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

6. Interfund Transfers

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

Transfers to	Transfers from			Total
	General Fund	Inheritance Fund	Nonmajor Funds	
General Fund	\$ -	\$ 1,884,000	\$ 7,487	\$ 1,891,487
Road Fund	2,025,834	-	-	2,025,834
Inheritance Fund	1,010,000	-	63,325	1,073,325
Nonmajor Funds	73,216	62,330	-	135,546
Total	\$ 3,109,050	\$ 1,946,330	\$ 70,812	\$ 5,126,192

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 to reimburse the General Fund or Inheritance Fund for interfund loans, as follows:

Transfer From	Transfer To	Amount
District Court – Bailiff Fund	Inheritance Fund	\$ 5,500
Employee Wellness Fund	Inheritance Fund	\$ 450
Drug Court Fund	Inheritance Fund	\$ 4,950
Grant Fund	Inheritance Fund	\$ 21,150
Grant Fund	General Fund	\$ 4,800
Juvenile Services Aid Grant Fund	Inheritance Fund	\$ 31,275

Additionally, the County made a transfer from the 911 Wireless Service Fund to the General Fund, totaling \$2,687, to reimburse expenses incorrectly paid from the General Fund.

7. Long-Term Obligations

Lease-Purchase Agreements

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

	<u>Cab Tractor</u>
Balance July 1, 2021	\$ 92,875
Purchases	-
Payments	8,775
Balance June 30, 2022	<u>\$ 84,100</u>
Future Payments:	
Year	
2023	\$ 9,971
2024	9,970
2025	9,971
2026	9,970
2027	49,000
Total Payments	<u>88,882</u>
Less Interest	<u>4,782</u>
Present Value of Future Minimum Lease Payments	<u>\$ 84,100</u>
Carrying Value of the Related Fixed Asset	<u>\$ 92,875</u>

Bonds

Building Bond. The County issued bonds on June 11, 2015, in the amount of \$7,715,000 for the purpose of paying the costs of acquiring property for a parking lot at the Courthouse and constructing, equipping, and furnishing an expansion to and renovation of the Courthouse facility. On February 8, 2021, the bonds were refinanced, in the amount of \$7,410,000. The bond payable balance, as of June 30, 2022, was \$7,000,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 460,000	\$ 84,362	\$ 544,362
2024	465,000	75,113	540,113
2025	475,000	65,712	540,712
2026	480,000	56,163	536,163
2027	495,000	50,125	545,125
2028-2032	2,515,000	196,264	2,711,264
2033-2037	2,110,000	58,097	2,168,097
Total Payments	<u>\$ 7,000,000</u>	<u>\$ 585,836</u>	<u>\$ 7,585,836</u>

Highway Allocation Bond. The County issued bonds on June 26, 2012, in the amount of \$6,015,000 for the purpose of paying the costs of constructing improvements to various roads and bridges throughout the County. On January 11, 2021, the bonds were refinanced, in the amount of \$3,895,000. The bond payable balance, as of June 30, 2022, was \$3,145,000. 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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

7. Long-Term Obligations (Concluded)

Future Payments:

Year	Principal	Interest	Total
2023	\$ 340,000	\$ 22,947	\$ 362,947
2024	345,000	21,320	366,320
2025	345,000	19,509	364,509
2026	345,000	17,525	362,525
2027	350,000	15,265	365,265
2028-2031	1,420,000	30,268	1,450,268
Total Payments	<u>\$ 3,145,000</u>	<u>\$ 126,834</u>	<u>\$ 3,271,834</u>

Conduit Debt – Doane University. In 2004, the County Board approved the issuance of Series 2004 Educational Facilities Revenue Bonds to provide for the financing to pay the costs of acquiring, constructing, and purchasing certain improvements to facilities of Doane University. In 2009, additional Series 2009 Educational Facilities Revenue Bonds were issued. In 2013, both bonds were refinanced with Series 2013A and Series 2013B Educational Facilities Revenue and Refunding Bonds in the amount of \$8,520,000 and \$9,925,000, respectively, maturing on February 15, 2038. In 2021, both bonds were again refinanced with Series 2020A and Series 2020B Educational Facilities Revenue and Refunding Bonds in the amount of \$8,600,000 and \$8,505,000, respectively, maturing on February 15, 2037. These bonds are special limited obligations of the County payable solely from and secured by loan payments to be received from Doane University. The bonds do not constitute a debt or pledge of faith of the County and, accordingly, have not been reported in the accompanying financial statements.

Additionally, in August 2022, the County Board approved the issuance of Series 2022A Educational Facilities Revenue Bonds to finance the costs of acquiring, improving, and equipping certain educational facilities of Doane University not to exceed \$28,000,000. On September 15, 2022, the County issued revenue bonds in the amount of \$15,000,000 maturing on February 15, 2033. These bonds are special limited obligations of the County payable solely from and secured by loan payments to be received from the Hospital. The bonds do not constitute a debt or pledge of faith of the County and, accordingly, have not been reported in the accompanying financial statements.

Conduit Debt – Tabitha, Inc. In December 2009, the County Board approved issuance of Series 2010A Healthcare Revenue Bonds to provide for the costs of acquiring a 48-unit assisted living facility for the Hospital Authority No. 1. On January 28, 2015, the bond was refinanced with Series 2015A Healthcare Revenue Bonds in the amount of \$3,155,000, maturing on January 15, 2027. These bonds are special limited obligations of the County payable solely from and secured by loan payments to be received from the Hospital Authority No. 1. The bonds do not constitute a debt or pledge of faith of the County and, accordingly, have not been reported in the accompanying financial statements.

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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Concluded)

9. **Prior Period Adjustment**

The beginning balances were increased by \$127,504 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 2021 financial statements. These adjustments were made to report the monies held by County officials other than the County Treasurer, and to report the monies held for Schools based on records available.

Additionally, the beginning balances on the Schedule of Office Activities were adjusted from the balances reported in the County's fiscal year 2021 financial statements, as follows: County Clerk increased by \$9; Clerk of the District Court was decreased by \$4,284; County Sheriff was decreased by \$2,098; Highway Superintendent was decreased by \$195,456; and County Aging Service was decreased by \$20,477. These adjustments were made to report the monies held in each County office based on records available.

SALINE COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 7,769,776	\$ 7,769,776	\$ 7,212,051	\$ (557,725)
Licenses and Permits	39,000	39,000	65,791	26,791
Investment Income	80,100	80,100	52,741	(27,359)
Intergovernmental	161,050	161,050	873,219	712,169
Charges for Services	2,259,400	2,259,400	2,564,754	305,354
Miscellaneous	25,500	25,500	71,303	45,803
TOTAL RECEIPTS	10,334,826	10,334,826	10,839,859	505,033
DISBURSEMENTS				
General Government:				
County Board	173,518	173,518	166,051	7,467
County Clerk	261,665	261,665	231,306	30,359
County Treasurer	304,735	304,735	275,550	29,185
County Assessor	341,428	341,428	322,187	19,241
Election Commissioner	60,950	60,950	47,549	13,401
Building and Zoning	16,318	16,318	15,655	663
Data Processing	31,000	31,000	28,919	2,081
Clerk of the District Court	115,656	115,656	110,969	4,687
County Court System	16,500	16,500	12,489	4,011
Building and Grounds	801,066	801,066	733,405	67,661
Agricultural Extension Agent	177,237	177,237	175,462	1,775
District Court - Child Support	331,233	331,233	58,303	272,930
Miscellaneous	3,221,775	3,221,775	2,663,202	558,573
Public Safety				
County Sheriff	1,031,017	1,031,017	961,058	69,959
County Attorney	255,213	255,213	212,993	42,220
County Jail	1,998,672	1,998,672	1,907,434	91,238
Emergency Management	111,250	111,250	65,710	45,540
Attorney - Child Support	118,169	118,169	97,973	20,196
911 Emergency Services	301,617	301,617	291,853	9,764
Public Works				
County Surveyor	34,625	34,625	32,580	2,045
Noxious Weed Control	62,771	62,771	63,605	(834)
Highway Department	153,000	153,000	134,705	18,295

(Continued)

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

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DISBURSEMENTS (Continued)				
Public Assistance				
Veterans' Service Officer	58,982	58,982	38,325	20,657
Aging Services Payroll	146,880	146,880	119,624	27,256
TOTAL DISBURSEMENTS	<u>10,125,277</u>	<u>10,125,277</u>	<u>8,766,907</u>	<u>1,358,370</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>209,549</u>	<u>209,549</u>	<u>2,072,952</u>	<u>1,863,403</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,478,185	1,478,185	1,891,487	413,302
Transfers out	(2,214,216)	(2,214,216)	(3,109,050)	(894,834)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(736,031)</u>	<u>(736,031)</u>	<u>(1,217,563)</u>	<u>(481,532)</u>
Net Change in Fund Balance	(526,482)	(526,482)	855,389	1,381,871
FUND BALANCE - BEGINNING	<u>902,355</u>	<u>902,355</u>	<u>902,354</u>	<u>(1)</u>
FUND BALANCE - ENDING	<u><u>\$ 375,873</u></u>	<u><u>\$ 375,873</u></u>	<u><u>\$ 1,757,743</u></u>	<u><u>\$ 1,381,870</u></u>

(Concluded)

SALINE COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Licenses and Permits	\$ 6,000	\$ 6,000	\$ 7,470	\$ 1,470
Intergovernmental	1,889,935	1,889,935	2,145,166	255,231
Charges for Services	-	-	7,686	7,686
Miscellaneous	241,627	241,627	697,648	456,021
TOTAL RECEIPTS	2,137,562	2,137,562	2,857,970	720,408
DISBURSEMENTS	5,835,200	5,835,200	5,130,187	705,013
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(3,697,638)	(3,697,638)	(2,272,217)	1,425,421
OTHER FINANCING SOURCES (USES)				
Transfers in	2,141,000	2,141,000	2,025,834	(115,166)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	2,141,000	2,141,000	2,025,834	(115,166)
Net Change in Fund Balance	(1,556,638)	(1,556,638)	(246,383)	1,310,255
FUND BALANCE - BEGINNING	1,856,969	1,856,969	1,856,968	(1)
FUND BALANCE - ENDING	\$ 300,331	\$ 300,331	\$ 1,610,585	\$ 1,310,254
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 250,000	\$ 250,000	\$ 568,636	\$ 318,636
TOTAL RECEIPTS	250,000	250,000	568,636	318,636
DISBURSEMENTS	2,873,943	2,873,943	2,536	2,871,407
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(2,623,943)	(2,623,943)	566,100	3,190,043
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,073,325	1,073,325
Transfers out	(1,468,000)	(1,468,000)	(1,946,330)	(478,330)
TOTAL OTHER FINANCING SOURCES (USES)	(1,468,000)	(1,468,000)	(873,005)	594,995
Net Change in Fund Balance	(4,091,943)	(4,091,943)	(306,905)	3,785,038
FUND BALANCE - BEGINNING	4,091,943	4,091,943	4,091,943	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 3,785,038	\$ 3,785,038

SALINE 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)
<u>COVID AMERICAN RESCUE PLAN FUND</u>				
RECEIPTS				
Investment Income	\$ -	\$ -	\$ 1,305	\$ 1,305
Intergovernmental	1,381,423	1,381,423	1,381,422	(1)
TOTAL RECEIPTS	<u>1,381,423</u>	<u>1,381,423</u>	<u>1,382,727</u>	<u>1,304</u>
DISBURSEMENTS	<u>2,762,850</u>	<u>2,762,850</u>	<u>67,121</u>	<u>2,695,729</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,381,427)</u>	<u>(1,381,427)</u>	<u>1,315,606</u>	<u>2,697,033</u>
Net Change in Fund Balance	(1,381,427)	(1,381,427)	1,315,606	2,697,033
FUND BALANCE - BEGINNING	<u>1,381,427</u>	<u>1,381,427</u>	<u>1,381,427</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,697,033</u>	<u>\$ 2,697,033</u>

(Concluded)

SALINE 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)
EMERGENCY BRIDGE FUND				
Receipts	\$ -	\$ -	\$ 12	\$ 12
Disbursements	(173,291)	(173,291)	-	173,291
Net Change in Fund Balance	(173,291)	(173,291)	12	173,303
Fund Balance - Beginning	173,291	173,291	173,291	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,303</u>	<u>\$ 173,303</u>
HIGHWAY BRIDGE BUYBACK PROGRAM FUND				
Receipts	\$ 350,749	\$ 350,749	\$ 351,145	\$ 396
Disbursements	(812,561)	(812,561)	-	812,561
Net Change in Fund Balance	(461,812)	(461,812)	351,145	812,957
Fund Balance - Beginning	461,812	461,812	461,812	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 812,957</u>	<u>\$ 812,957</u>
SPECIAL ROAD FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(144,285)	(144,285)	-	144,285
Net Change in Fund Balance	(144,285)	(144,285)	-	144,285
Fund Balance - Beginning	144,285	144,285	144,285	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,285</u>	<u>\$ 144,285</u>
DISTRICT COURT - BAILIFF FUND				
Receipts	\$ 51,042	\$ 51,042	\$ 46,783	\$ (4,259)
Disbursements	(83,675)	(83,675)	(77,749)	5,926
Transfers in	32,633	32,633	38,133	5,500
Transfers out	-	-	(5,500)	(5,500)
Net Change in Fund Balance	-	-	1,667	1,667
Fund Balance - Beginning	13,015	13,015	13,015	-
Fund Balance - Ending	<u>\$ 13,015</u>	<u>\$ 13,015</u>	<u>\$ 14,682</u>	<u>\$ 1,667</u>
CHILD SUPPORT INCENTIVE FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(104,111)	(104,111)	-	104,111
Net Change in Fund Balance	(104,111)	(104,111)	-	104,111
Fund Balance - Beginning	104,111	104,111	104,111	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,111</u>	<u>\$ 104,111</u>

(Continued)

SALINE 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)
VISITOR PROMOTION FUND				
Receipts	\$ 13,000	\$ 13,000	\$ 30,721	\$ 17,721
Disbursements	(64,310)	(64,310)	(15,579)	48,731
Net Change in Fund Balance	(51,310)	(51,310)	15,142	66,452
Fund Balance - Beginning	51,310	51,310	51,310	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,452</u>	<u>\$ 66,452</u>
VISITOR IMPROVEMENT FUND				
Receipts	\$ 13,000	\$ 13,000	\$ 30,721	\$ 17,721
Disbursements	(48,364)	(48,364)	(11,193)	37,171
Net Change in Fund Balance	(35,364)	(35,364)	19,528	54,892
Fund Balance - Beginning	35,364	35,364	35,364	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,892</u>	<u>\$ 54,892</u>
PRESERVATION AND MODERNIZATION FUND				
Receipts	\$ 10,000	\$ 10,000	\$ 15,941	\$ 5,941
Disbursements	(22,361)	(22,361)	(16,560)	5,801
Net Change in Fund Balance	(12,361)	(12,361)	(619)	11,742
Fund Balance - Beginning	12,361	12,361	12,361	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,742</u>	<u>\$ 11,742</u>
EMPLOYEE WELLNESS FUND				
Receipts	\$ 3,500	\$ 3,500	\$ 2,219	\$ (1,281)
Disbursements	(35,110)	(35,110)	(15,676)	19,434
Transfers in	31,216	31,216	31,666	450
Transfers out	-	-	(450)	(450)
Net Change in Fund Balance	(394)	(394)	17,759	18,153
Fund Balance - Beginning	394	394	393	(1)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,152</u>	<u>\$ 18,152</u>
VETERANS' AID FUND				
Receipts	\$ -	\$ -	\$ 1	\$ 1
Disbursements	(3,336)	(3,336)	-	3,336
Net Change in Fund Balance	(3,336)	(3,336)	1	3,337
Fund Balance - Beginning	3,336	3,336	3,336	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,337</u>	<u>\$ 3,337</u>

(Continued)

SALINE 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)
AGING SERVICE FUND				
Receipts	\$ 119,592	\$ 119,592	\$ 125,107	\$ 5,515
Disbursements	(238,572)	(238,572)	(70,295)	168,277
Transfers in	5,362	5,362	5,362	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(113,618)	(113,618)	60,174	173,792
Fund Balance - Beginning	129,672	129,672	129,672	-
Fund Balance - Ending	<u>\$ 16,054</u>	<u>\$ 16,054</u>	<u>\$ 189,846</u>	<u>\$ 173,792</u>
JUVENILE DIVERSION FUND				
Receipts	\$ 100	\$ 100	\$ 100	\$ -
Disbursements	(7,983)	(7,983)	(196)	7,787
Net Change in Fund Balance	(7,883)	(7,883)	(96)	7,787
Fund Balance - Beginning	7,883	7,883	7,882	(1)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,786</u>	<u>\$ 7,786</u>
DRUG LAW ENFORCEMENT AND EDUCATION FUND				
Receipts	\$ 100	\$ 100	\$ -	\$ (100)
Disbursements	(100)	(100)	-	100
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DRUG COURT FUND				
Receipts	\$ 23,512	\$ 23,512	\$ 18,610	\$ (4,902)
Disbursements	(27,700)	(27,700)	(18,430)	9,270
Transfers in	4,005	4,005	9,160	5,155
Transfers out	-	-	(4,950)	(4,950)
Net Change in Fund Balance	(183)	(183)	4,390	4,573
Fund Balance - Beginning	183	183	183	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,573</u>	<u>\$ 4,573</u>
FEDERAL DRUG LAW ENFORCEMENT FUND				
Receipts	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
Disbursements	(2,000)	(2,000)	-	2,000
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SALINE 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)
GRANT FUND				
Receipts	\$ 100,000	\$ 100,000	\$ 21,164	\$ (78,836)
Disbursements	(109,500)	(109,500)	(21,768)	87,732
Transfers in	-	-	19,950	19,950
Transfers out	-	-	(25,950)	(25,950)
Net Change in Fund Balance	(9,500)	(9,500)	(6,604)	2,896
Fund Balance - Beginning	9,500	9,500	9,500	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,896</u>	<u>\$ 2,896</u>
HOMELAND SECURITY GRANT FUND				
Receipts	\$ 26,373	\$ 26,373	\$ -	\$ (26,373)
Disbursements	(27,000)	(27,000)	-	27,000
Net Change in Fund Balance	(627)	(627)	-	627
Fund Balance - Beginning	627	627	627	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 627</u>	<u>\$ 627</u>
EMERGENCY PREPAREDNESS GRANT FUND				
Receipts	\$ 9,277	\$ 9,277	\$ 32,906	\$ 23,629
Disbursements	(53,650)	(53,650)	(3,355)	50,295
Net Change in Fund Balance	(44,373)	(44,373)	29,551	73,924
Fund Balance - Beginning	44,373	44,373	44,373	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,924</u>	<u>\$ 73,924</u>
JUVENILE SERVICES AID GRANT FUND				
Receipts	\$ 51,038	\$ 51,038	\$ 48,955	\$ (2,083)
Disbursements	(52,906)	(52,906)	(50,656)	2,250
Transfers in	-	-	31,275	31,275
Transfers out	-	-	(31,275)	(31,275)
Net Change in Fund Balance	(1,868)	(1,868)	(1,701)	167
Fund Balance - Beginning	1,868	1,868	1,868	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167</u>	<u>\$ 167</u>
911 EMERGENCY MANAGEMENT FUND				
Receipts	\$ 28,000	\$ 28,000	\$ 27,863	\$ (137)
Disbursements	(137,015)	(137,015)	(8,969)	128,046
Net Change in Fund Balance	(109,015)	(109,015)	18,894	127,909
Fund Balance - Beginning	109,015	109,015	109,015	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,909</u>	<u>\$ 127,909</u>

(Continued)

SALINE 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)
911 WIRELESS SERVICE FUND				
Receipts	\$ 63,497	\$ 63,497	\$ 63,497	\$ -
Disbursements	(64,440)	(64,440)	(28,724)	35,716
Transfers in	-	-	-	-
Transfers out	(142,866)	(142,866)	(2,687)	140,179
Net Change in Fund Balance	(143,809)	(143,809)	32,086	175,895
Fund Balance - Beginning	143,809	143,809	143,810	1
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,896</u>	<u>\$ 175,896</u>
911 WIRELESS SERVICE HOLDING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(332,694)	(332,694)	(94,627)	238,067
Transfers in	142,866	142,866	-	(142,866)
Transfers out	-	-	-	-
Net Change in Fund Balance	(189,828)	(189,828)	(94,627)	95,201
Fund Balance - Beginning	189,828	189,828	189,827	(1)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,200</u>	<u>\$ 95,200</u>
CRIME PREVENTION FUND				
Receipts	\$ 23,233	\$ 23,233	\$ 21,868	\$ (1,365)
Disbursements	(200,000)	(200,000)	(2,021)	197,979
Net Change in Fund Balance	(176,767)	(176,767)	19,847	196,614
Fund Balance - Beginning	176,767	176,767	176,768	1
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,615</u>	<u>\$ 196,615</u>
COMMISSARY FUND				
Receipts	\$ 179,936	\$ 179,936	\$ 254,544	\$ 74,608
Disbursements	(450,000)	(450,000)	(174,927)	275,073
Net Change in Fund Balance	(270,064)	(270,064)	79,617	349,681
Fund Balance - Beginning	270,064	270,064	270,064	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,681</u>	<u>\$ 349,681</u>
JAIL BOND FUND				
Receipts	\$ 300	\$ 300	\$ 160	\$ (140)
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(10,185)	(10,185)	-	10,185
Net Change in Fund Balance	(9,885)	(9,885)	160	10,045
Fund Balance - Beginning	9,885	9,885	9,884	(1)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,044</u>	<u>\$ 10,044</u>

(Continued)

SALINE 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)
COURTHOUSE BUILDING BOND FUND				
Receipts	\$ 516,800	\$ 516,800	\$ 572,559	\$ 55,759
Disbursements	(942,200)	(942,200)	(503,063)	439,137
Net Change in Fund Balance	(425,400)	(425,400)	69,496	494,896
Fund Balance - Beginning	425,400	425,400	425,400	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 494,896</u>	<u>\$ 494,896</u>
HIGHWAY BOND FUND				
Receipts	\$ 313,128	\$ 313,128	\$ 313,128	\$ -
Disbursements	(517,799)	(517,799)	(266,333)	251,466
Net Change in Fund Balance	(204,671)	(204,671)	46,795	251,466
Fund Balance - Beginning	204,671	204,671	204,671	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 251,466</u>	<u>\$ 251,466</u>
INFRASTRUCTURE DAMAGE & DISASTER FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(1,100)	(1,100)	-	1,100
Net Change in Fund Balance	(1,100)	(1,100)	-	1,100
Fund Balance - Beginning	1,100	1,100	1,100	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,100</u>	<u>\$ 1,100</u>

(Concluded)

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

	Emergency Bridge Fund	Highway Bridge Buyback Program Fund	Special Road Fund	District Court - Bailiff Fund	Child Support Incentive Fund	Visitor Promotion Fund
RECEIPTS						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,721
Investment Income	-	-	-	-	-	-
Intergovernmental	12	351,145	-	46,783	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
TOTAL RECEIPTS	<u>12</u>	<u>351,145</u>	<u>-</u>	<u>46,783</u>	<u>-</u>	<u>30,721</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	77,749	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	15,579
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,749</u>	<u>-</u>	<u>15,579</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>12</u>	<u>351,145</u>	<u>-</u>	<u>(30,966)</u>	<u>-</u>	<u>15,142</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	38,133	-	-
Transfers out	-	-	-	(5,500)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,633</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	12	351,145	-	1,667	-	15,142
FUND BALANCES - BEGINNING	<u>173,291</u>	<u>461,812</u>	<u>144,285</u>	<u>13,015</u>	<u>104,111</u>	<u>51,310</u>
FUND BALANCES - ENDING	<u>\$ 173,303</u>	<u>\$ 812,957</u>	<u>\$144,285</u>	<u>\$ 14,682</u>	<u>\$ 104,111</u>	<u>\$ 66,452</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	66,452
Emergency Services	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Bridge & Road Projects	-	812,957	-	-	-	-
Child Support Enforcement	-	-	-	-	104,111	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Bridge & Road Maintenance	173,303	-	144,285	-	-	-
Aid and Assistance	-	-	-	-	-	-
Bailiff Services	-	-	-	14,682	-	-
Employee Wellness	-	-	-	-	-	-
Drug Court	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 173,303</u>	<u>\$ 812,957</u>	<u>\$144,285</u>	<u>\$ 14,682</u>	<u>\$ 104,111</u>	<u>\$ 66,452</u>

(Continued)

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

For the Year Ended June 30, 2022

	Visitor Improvement Fund	Preservation and Modernization Fund	Employee Wellness Fund	Veterans' Aid Fund	Aging Service Fund
RECEIPTS					
Taxes	\$ 30,721	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	-	-	-	1	83,154
Charges for Services	-	15,941	1,276	-	24,687
Miscellaneous	-	-	943	-	17,266
TOTAL RECEIPTS	30,721	15,941	2,219	1	125,107
DISBURSEMENTS					
General Government	-	16,560	15,676	-	-
Public Safety	-	-	-	-	-
Public Assistance	-	-	-	-	70,295
Culture and Recreation	11,193	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	11,193	16,560	15,676	-	70,295
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	19,528	(619)	(13,457)	1	54,812
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	31,666	-	5,362
Transfers out	-	-	(450)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	31,216	-	5,362
Net Change in Fund Balances	19,528	(619)	17,759	1	60,174
FUND BALANCES - BEGINNING	35,364	12,361	393	3,336	129,672
FUND BALANCES - ENDING	\$ 54,892	\$ 11,742	\$ 18,152	\$ 3,337	\$ 189,846
FUND BALANCES:					
Restricted for:					
Visitor Promotion	54,892	-	-	-	-
Emergency Services	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	11,742	-	-	-
Debt Service	-	-	-	-	-
Bridge & Road Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Bridge & Road Maintenance	-	-	-	-	-
Aid and Assistance	-	-	-	3,337	189,846
Bailiff Services	-	-	-	-	-
Employee Wellness	-	-	18,152	-	-
Drug Court	-	-	-	-	-
TOTAL FUND BALANCES	\$ 54,892	\$ 11,742	\$ 18,152	\$ 3,337	\$ 189,846

(Continued)

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

For the Year Ended June 30, 2022

	Juvenile Diversion Fund	Drug Court Fund	Grant Fund	Homeland Security Grant Fund	Emergency Preparedness Grant Fund
RECEIPTS					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-
Intergovernmental	-	16,020	21,164	-	32,906
Charges for Services	100	50	-	-	-
Miscellaneous	-	2,540	-	-	-
TOTAL RECEIPTS	100	18,610	21,164	-	32,906
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	196	18,430	21,768	-	3,355
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	196	18,430	21,768	-	3,355
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(96)	180	(604)	-	29,551
OTHER FINANCING SOURCES (USES)					
Transfers in	-	9,160	19,950	-	-
Transfers out	-	(4,950)	(25,950)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	4,210	(6,000)	-	-
Net Change in Fund Balances	(96)	4,390	(6,604)	-	29,551
FUND BALANCES - BEGINNING	7,882	183	9,500	627	44,373
FUND BALANCES - ENDING	\$ 7,786	\$ 4,573	\$ 2,896	\$ 627	\$ 73,924
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
Emergency Services	-	-	-	627	73,924
Law Enforcement	-	-	2,896	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Bridge & Road Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Committed to:					
Law Enforcement	7,786	-	-	-	-
Bridge & Road Maintenance	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
Bailiff Services	-	-	-	-	-
Employee Wellness	-	-	-	-	-
Drug Court	-	4,573	-	-	-
TOTAL FUND BALANCES	\$ 7,786	\$ 4,573	\$ 2,896	\$ 627	\$ 73,924

(Continued)

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

For the Year Ended June 30, 2022

	Juvenile Services Aid Grant Fund	911 Emergency Management Fund	911 Wireless Service Fund	911 Wireless Service Holding Fund	Crime Prevention Fund
RECEIPTS					
Taxes	\$ -	\$ 27,804	\$ 63,497	\$ -	\$ -
Investment Income	-	59	-	-	-
Intergovernmental	48,955	-	-	-	2,169
Charges for Services	-	-	-	-	800
Miscellaneous	-	-	-	-	18,899
TOTAL RECEIPTS	<u>48,955</u>	<u>27,863</u>	<u>63,497</u>	<u>-</u>	<u>21,868</u>
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	50,656	8,969	28,724	94,627	2,021
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>50,656</u>	<u>8,969</u>	<u>28,724</u>	<u>94,627</u>	<u>2,021</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,701)</u>	<u>18,894</u>	<u>34,773</u>	<u>(94,627)</u>	<u>19,847</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	31,275	-	-	-	-
Transfers out	(31,275)	-	(2,687)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(2,687)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(1,701)</u>	<u>18,894</u>	<u>32,086</u>	<u>(94,627)</u>	<u>19,847</u>
FUND BALANCES - BEGINNING	<u>1,868</u>	<u>109,015</u>	<u>143,810</u>	<u>189,827</u>	<u>176,768</u>
FUND BALANCES - ENDING	<u>\$ 167</u>	<u>\$ 127,909</u>	<u>\$ 175,896</u>	<u>\$ 95,200</u>	<u>\$ 196,615</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
Emergency Services	-	127,909	175,896	95,200	-
Law Enforcement	167	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Bridge & Road Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	196,615
Bridge & Road Maintenance	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
Bailiff Services	-	-	-	-	-
Employee Wellness	-	-	-	-	-
Drug Court	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 167</u>	<u>\$ 127,909</u>	<u>\$ 175,896</u>	<u>\$ 95,200</u>	<u>\$ 196,615</u>

(Continued)

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

	Commissary Fund	Jail Bond Fund	Courthouse Building Bond Fund	Highway Bond Fund	Infrastructure Damage & Disaster Fund	Total Nonmajor Funds
RECEIPTS						
Taxes	\$ -	\$ 160	\$ 524,587	\$ -	\$ -	\$ 677,490
Investment Income	-	-	-	-	-	59
Intergovernmental	-	-	47,972	313,128	-	963,409
Charges for Services	254,544	-	-	-	-	297,398
Miscellaneous	-	-	-	-	-	39,648
TOTAL RECEIPTS	<u>254,544</u>	<u>160</u>	<u>572,559</u>	<u>313,128</u>	<u>-</u>	<u>1,978,004</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	32,236
Public Safety	174,927	-	-	-	-	481,422
Public Assistance	-	-	-	-	-	70,295
Culture and Recreation	-	-	-	-	-	26,772
Debt Service:						
Principal Payments	-	-	410,000	235,000	-	645,000
Interest and Fiscal Charges	-	-	93,063	31,333	-	124,396
TOTAL DISBURSEMENTS	<u>174,927</u>	<u>-</u>	<u>503,063</u>	<u>266,333</u>	<u>-</u>	<u>1,380,121</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>79,617</u>	<u>160</u>	<u>69,496</u>	<u>46,795</u>	<u>-</u>	<u>597,883</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	135,546
Transfers out	-	-	-	-	-	(70,812)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,734</u>
Net Change in Fund Balances	79,617	160	69,496	46,795	-	662,617
FUND BALANCES - BEGINNING	<u>270,064</u>	<u>9,884</u>	<u>425,400</u>	<u>204,671</u>	<u>1,100</u>	<u>2,723,922</u>
FUND BALANCES - ENDING	<u>\$ 349,681</u>	<u>\$ 10,044</u>	<u>\$ 494,896</u>	<u>\$ 251,466</u>	<u>\$ 1,100</u>	<u>\$ 3,386,539</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	121,344
Emergency Services	-	-	-	-	-	473,556
Law Enforcement	-	-	-	-	-	3,063
Preservation of Records	-	-	-	-	-	11,742
Debt Service	-	-	494,896	251,466	-	746,362
Bridge & Road Projects	-	-	-	-	-	812,957
Child Support Enforcement	-	-	-	-	-	104,111
Committed to:						
Law Enforcement	349,681	10,044	-	-	-	564,126
Bridge & Road Maintenance	-	-	-	-	1,100	318,688
Aid and Assistance	-	-	-	-	-	193,183
Bailiff Services	-	-	-	-	-	14,682
Employee Wellness	-	-	-	-	-	18,152
Drug Court	-	-	-	-	-	4,573
TOTAL FUND BALANCES	<u>\$ 349,681</u>	<u>\$ 10,044</u>	<u>\$ 494,896</u>	<u>\$ 251,466</u>	<u>\$ 1,100</u>	<u>\$ 3,386,539</u>

(Concluded)

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

	County Clerk	Clerk of the District Court	County Sheriff	County Attorney	Highway Superintendent	Veterans' Service Officer	County Planning & Zoning	County Aging Service	County Juvenile Diversion	County Extension	Total
BALANCES JULY 1, 2021 (As Restated)	\$ 23,892	\$ 97,626	\$ 44,727	\$ 2,548	\$ -	\$ 3,578	\$ -	\$ 60	\$ -	\$ 6,553	\$ 178,984
RECEIPTS											
Licenses and Permits	6,900	-	975	-	7,470	-	1,050	-	-	-	16,395
Intergovernmental	-	-	21,164	-	-	-	-	83,154	-	-	104,318
Charges for Services	109,504	25,576	183,178	130	972	-	-	21,008	320	-	340,688
Miscellaneous	-	-	25,206	6,618	696,346	-	-	17,154	-	9,793	755,117
State Fees	143,874	21,574	-	-	-	-	-	-	-	-	165,448
Other Liabilities	22	321,359	451,594	7,053	-	-	-	-	-	-	780,028
TOTAL RECEIPTS	260,300	368,509	682,117	13,801	704,788	-	1,050	121,316	320	9,793	2,161,994
DISBURSEMENTS											
Payments to County Treasurer	118,443	27,747	233,112	175	704,788	-	1,025	121,316	320	-	1,206,926
Payments to State Treasurer	146,864	21,466	-	-	-	-	-	-	-	-	168,330
Petty Cash & Other Payments	-	-	-	6,618	-	-	-	-	-	9,725	16,343
Other Liabilities	22	265,686	454,184	7,053	-	-	-	-	-	-	726,945
TOTAL DISBURSEMENTS	265,329	314,899	687,296	13,846	704,788	-	1,025	121,316	320	9,725	2,118,544
BALANCES JUNE 30, 2022	\$ 18,863	\$ 151,236	\$ 39,548	\$ 2,503	\$ -	\$ 3,578	\$ 25	\$ 60	\$ -	\$ 6,621	\$ 222,434
BALANCES CONSIST OF:											
Due to County Treasurer	\$ 9,321	\$ 1,173	\$ 21,553	\$ 3	\$ -	\$ 3,578	\$ 25	\$ -	\$ -	\$ 6,546	\$ 42,199
Petty Cash	-	-	-	2,500	-	-	-	60	-	-	2,560
Due to State Treasurer	9,542	1,467	-	-	-	-	-	-	-	-	11,009
Due to Others	-	148,596	17,995	-	-	-	-	-	-	75	166,666
BALANCES JUNE 30, 2022	\$ 18,863	\$ 151,236	\$ 39,548	\$ 2,503	\$ -	\$ 3,578	\$ 25	\$ 60	\$ -	\$ 6,621	\$ 222,434

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

Item	2017	2018	2019	2020	2021
Tax Certified by Assessor					
Real Estate	\$ 30,216,720	\$ 30,555,413	\$ 30,596,876	\$ 31,450,115	\$ 32,181,553
Personal and Specials	1,442,356	1,366,746	1,595,630	1,812,760	1,971,767
Total	<u>31,659,076</u>	<u>31,922,159</u>	<u>32,192,506</u>	<u>33,262,875</u>	<u>34,153,320</u>
Corrections					
Additions	5,677	3,902	18,080	1,075	1,042
Deductions	(2,933)	(2,202)	(15,141)	(4,723)	(7,643)
Net Additions/ (Deductions)	<u>2,744</u>	<u>1,700</u>	<u>2,939</u>	<u>(3,648)</u>	<u>(6,601)</u>
Corrected Certified Tax	<u>31,661,820</u>	<u>31,923,859</u>	<u>32,195,445</u>	<u>33,259,227</u>	<u>34,146,719</u>
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2018	19,315,351	-	-	-	-
June 30, 2019	12,331,742	19,390,597	-	-	-
June 30, 2020	9,448	12,519,299	19,462,949	-	-
June 30, 2021	2,726	10,365	12,683,521	20,516,858	-
June 30, 2022	273	99	43,593	12,731,195	21,624,383
Total Net Collections	<u>31,659,540</u>	<u>31,920,360</u>	<u>32,190,063</u>	<u>33,248,053</u>	<u>21,624,383</u>
Total Uncollected Tax	<u>\$ 2,280</u>	<u>\$ 3,499</u>	<u>\$ 5,382</u>	<u>\$ 11,174</u>	<u>\$ 12,522,336</u>
Percentage Uncollected Tax	<u>0.01%</u>	<u>0.01%</u>	<u>0.02%</u>	<u>0.03%</u>	<u>36.67%</u>

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



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SALINE 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
Saline 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 Saline 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 9, 2023. The report notes the financial statements were prepared on the basis of cash receipts and disbursements.

Report on Internal Control Over Financial Reporting

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

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

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

- The County offices lacked a segregation of duties, as one person could handle all aspects of processing a transaction from beginning to end. Good internal control includes a plan of organization, procedures, and

records designed to safeguard assets and provide reliable financial records. Inadequate segregation of duties could lead to the misappropriation of assets or improper reporting. Due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Saline 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 Saline County in a separate letter dated May 9, 2023.

Saline County's Response to Findings

Saline 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.



Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska

May 9, 2023



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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May 9, 2023

Board of Commissioners
Saline County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Saline County (County) for the fiscal year ended June 30, 2022, and have issued our report thereon dated May 9, 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 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.

Funds Not Paid to Treasurer

During the audit, we noted the County Juvenile Diversion Office and the County Planning and Zoning Office received funds, totaling \$270, that were not remitted to the County Treasurer and could not be located on hand. Additionally, neither office maintained documentation, such as the issuance of receipts, to support all funds received and verify the total amounts collected.

- The County Juvenile Diversion Office does not keep copies of receipts issued to participants for payment. Instead, at the time of the deposit, a word document of the total amount to be turned over to the Treasurer is created. The County Juvenile Diversion Office provided that deposit document for four cases, totaling \$320, during the fiscal year. Of these program fees, only one payment, totaling \$100, was remitted to the County Treasurer. Additional documentation could not be provided to verify the location of the remaining \$220 of collected fees.
- The Planning & Zoning Office does not issue receipt upon collection of any funds. Instead, it keeps copies of applications issued; however, the applications are not prenumbered, and the total number issued could not be verified. During the fiscal year, the Planning & Zoning Office provided the building permits approved during the fiscal year, totaling \$1,050. We noted that the fees for two permits issued, Application 14-2022 and Application 15-2022, totaling \$25 each, were not paid to the County Treasurer. Additional documentation could not be provided to verify the location of the \$50 in collected fees.

A good internal control plan requires procedures to ensure that receipts are issued for all payments collected, and adequate supporting documentation is maintained for all office activity – especially with regard to overseeing and accounting for public funds.

Without such procedures, there is an increased risk of loss, theft, or misuse of County Funds.

We recommend both the County Juvenile Diversion Office and County Planning & Zoning Office implement procedures to ensure receipts are issued for all payments collected, and adequate supporting documentation is maintained for all office activity – especially with regard to overseeing and accounting for public funds. Additionally, because this comment points to missing public funds, we are forwarding the information herein to the Saline County Attorney.

Unauthorized Funds Held

We noted that two offices were maintaining balances outside of the County Treasurer that were not authorized by the County Board, as follows:

- As of June 30, 2022, the County Extension Office held a balance of \$6,546 in a bank account that was not authorized by the County Board. The Extension Office is using this account as a petty cash fund and made purchases totaling \$9,725 during the year, which were reimbursed through the claims process. The bank account also earned \$3 of interest during the fiscal year that had not been remitted to the County Treasurer.
- As of fieldwork in March 2023, the County Sheriff held a balance of \$19,151 in cash that was not authorized by the County Board. The County Sheriff was using this cash as a petty cash fund for “Special Projects”; however, no expenses had been paid out of this fund since 2018. The previous expenses had not been reimbursed through the claims process. Instead, the County Board has been adding an additional \$3,000 to this fund each year despite the previous balances remaining unspent.

Because the County Board never authorized these balances as petty cash funds, the offices failed to maintain them at specific amounts. More importantly, though, the office lacked the requisite authority to maintain these balances in the first place, much less make purchases from them.

Neb. Rev. Stat. § 23-1601(1) (Reissue 2022) 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.

Neb. Rev. Stat. § 23-106 (Reissue 2022) provides the following:

(1) The county board shall manage the county funds and county business except as otherwise specifically provided.

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

Good internal controls and sound business practices require all funds not authorized by the County Board to be held as petty cash to be remitted to the County Treasurer in a timely manner.

When unauthorized balances are held by County offices, there is an increased risk for not only theft or misuse of public funds but also statutory violations.

We recommend the implementation of procedures to ensure all funds not authorized by the County Board to be held as petty cash are remitted timely to the County Treasurer.

COUNTY BOARD

Payroll Approval and Publication Issues

During the audit, we noted that the County Board did not review timesheets or payroll registers prior to payment of payroll expenses because those documents were not available at the time of the County Board meeting. Without such documentation, the County Board did not vote to approve payroll throughout the fiscal year.

County payroll costs for fiscal year 2022 totaled \$5,727,667.

Due to the timing of the meetings and the unavailability of the timesheets and payroll registers, as noted above, the aggregate amount of all payroll claims, along with a summary of other expenditures, was not published for the entire fiscal year, which is contrary to statutory requirements. In addition, disclosure of the release of the fiscal year 2021 audit report was published 23 business days after the report was issued, or 13 business days after the statutory deadline.

Neb. Rev. Stat. § 23-122 (Reissue 2022) states, in relevant part, the following:

The county board of all counties having a population of less than one hundred fifty thousand inhabitants shall cause to be published, within ten working days after the close of each annual, regular, or special meeting of the board, a brief statement of the proceedings thereof which shall also include the amount of each claim allowed, the purpose of the claim, and the name of the claimant, except that the aggregate amount of all payroll claims may be included as one item, in one newspaper of general circulation published in the county and also its proceedings upon the equalization of the assessment roll.

(Emphasis added.) Neb. Rev. Stat § 23-1608(2) (Reissue 2022) provides the following:

The county board shall cause to be published in the same manner as the proceedings of the county board a brief statement disclosing the conclusion of the examination and audit and that such audit report is on file with the county clerk.

Good internal controls require procedures to ensure that the County Board: 1) reviews timesheets or payroll registers, as well as approves payroll, prior to payment; 2) publishes the aggregate amount of all payroll claims, along with a summary of other expenditures, in a newspaper of general circulation; and 3) publishes a disclosure of the conclusion of the audit report within 10 business days.

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

We recommend the County Board implement procedures to ensure the County Board: 1) reviews timesheets or payroll registers, as well as approves payroll, prior to payment; 2) publishes the aggregate amount of all payroll claims, along with a summary of other expenditures, in a newspaper of general circulation; and 3) publishes a disclosure of the conclusion of the audit report within 10 business days.

Overpayment of Salaries

During testing of salaries paid to three elected officials during calendar year 2021, we noted that all three were paid in excess of the salaries approved by the County Board, as follows:

- The County Assessor was paid an extra \$2,379 due to the miscalculation of bi-weekly salary amounts. Calendar year 2021 contained 27 bi-weekly pay periods; however, the total salaries were calculated using 26 pay periods.
- The County Clerk was paid an extra \$2,379 due to the same miscalculation of bi-weekly salary amounts noted above.
- The County Sheriff was paid an extra \$9,179 due to: 1) the same miscalculation of bi-weekly salary amounts noted above; 2) an additional \$176 included in the bi-weekly calculation for an unknown reason; 3) an additional \$800 annual uniform stipend; and 4) an additional \$600 annual salary for being the Truant Officer.

No documentation was on file to support the additional \$176 bi-weekly increase, the annual uniform stipend, or the Truant Officer salary.

Furthermore, the Deputy County Assessor received an additional 3% over the County Board-approved maximum for this position, resulting in an overpayment of \$1,779.

Neb. Rev. Stat. § 23-1114 (Reissue 2022) states, in relevant part, the following:

(1) The salaries of all elected officers of the county shall be fixed by the county board prior to January 15 of the year in which a general election will be held for the respective offices.

(2) The salaries of all deputies in the offices of the elected officers and appointive veterans service officers of the county shall be fixed by the county board at such times as necessity may require.

Resolution 2017-88, which the County Board approved on December 26, 2017, contains the following:

2. That the annual salary for the offices of Deputy County Assessor, Deputy County Clerk, Deputy County Treasurer and Deputy Clerk of the District Court shall not exceed eight percent (80%) of the annual salary for the elected offices for which each respective Deputy is serving.

Good internal controls and sound accounting practices require procedures to ensure that the annual salaries of elected officials and their deputies agree to the amounts approved by the County Board. Additionally, those same procedures should ensure also that all amounts paid for salaries and other benefits, such as uniform allowances, receive the documented approval of the County Board prior to payment.

Without such procedures, there is an increased risk for the loss or misuse of County funds.

We recommend the implementation of procedures to ensure that the annual salaries of elected officials and their deputies agree to the amounts approved by the County Board. Additionally, those same procedures should ensure also that all amounts paid for salaries and other benefits, such as uniform allowances, receive the documented approval of the County Board prior to payment.

Inventory Issues

During the fiscal year, we noted the following items related to inventory:

- The County did not have an inventory policy that provides a threshold for what items should be included on the inventory list.
- The Veterans' Service Officer inventory statement was not filed for 2021.
- The County Real Estate inventory statement was not filed for 2021 or 2022.
- The County purchased a motor grader in June 2022 for \$276,800; however, this item was not added to the County Highway Department's 2022 inventory statement.

Neb. Rev. Stat. § 23-347 (Reissue 2022) states the following:

Within two calendar months after the close of each fiscal year, each county officer shall make, acknowledge under oath, and file with the county board of his or her county an inventory statement of all county personal property in the custody and possession of said county officer. The county board in each county shall examine into each inventory statement so filed, and, if said statement is correct and proper in every particular, the county board shall deliver each of said inventory statements to the clerk of the county for filing as a public record in said county clerk's office in a manner convenient for reference.

Neb. Rev. Stat. § 23-348.01 (Reissue 2022) requires the following:

Within two calendar months after the close of each fiscal year, each county board shall make, or cause to be made, acknowledged under oath, and filed with the county clerk of such county, an inventory statement of all real estate and real property in which such county has any interest of any kind. Such inventory shall include all real estate owned by the county or in which the county has an interest or lien of any kind including liens acquired by operation of law for any purpose except real estate tax liens which have not been established by judicial decree and except those parcels of land owned by the county for road rights-of-way and other utility rights-of-way. Such inventory shall set forth a description of such properties with sufficient details that the property may be identified in the records of the register of deeds, and shall set forth, if within an area in which the property abuts upon a street, the street and street number of such property and shall set forth the use being made of such property. The county clerk shall retain such inventory for filing as a public record in his or her office in a manner convenient for reference.

A good internal control plan requires procedures to ensure: 1) the implementation of an inventory policy for a uniform accounting of all inventories held by County offices; and 2) the annual filing of the statutorily required County inventory statements, as well as the accuracy and completeness of those statements.

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

We recommend the County Board implement an inventory policy to ensure a uniform and accurate accounting of County inventory. Additionally, we recommend the implementation of procedures to ensure all annual inventory statements are filed in accordance with State statute, and those filings are complete and accurate.

Expenditures in Excess of Budget

For the fiscal year ended June 30, 2022, the disbursements in the General Fund Miscellaneous Function, Noxious Weed Control Function, and Juvenile Services Aid Grant Fund exceeded the adopted budget by \$336,261, \$834, and \$29,025, respectively. The excess expenditures in the General Miscellaneous Function and Juvenile Services Aid Grant Fund were caused by the failure to record transfers, as noted in the following “Financial Variances and Transfers Not Recorded” comment herein.

Neb. Rev. Stat. § 23-916 (Reissue 2022) states 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. Any contract, verbal or written, made in violation of this section shall be null and void as to the county, and no money belonging thereto shall be paid thereon.

When expenditures are made in excess of amounts budgeted, with no appropriation adjustments by the County Board to address those excesses, the County is noncompliant with State statute.

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

COUNTY CLERK

Financial Variances and Transfers Not Recorded

During the audit, it was noted that the County Clerk's claim expenditure report did not agree to the County Treasurer's expenditures during the fiscal year for the following funds:

- General Fund – the County Clerk’s claim expenditure report contained fewer disbursements than the County Treasurer paid by \$3,932. These were related to coding errors and other adjustments made by the County Clerk that were not adjusted in the request for payment to the County Treasurer.
- Road Fund – the County Clerk’s claim expenditure report contained fewer disbursements than the County Treasurer paid by \$130. The cause of this error could not be determined.
- 911 Wireless Service Fund – the County Clerk’s claim expenditure report contains more disbursements than the County Treasurer paid by \$2,687. This was related to a coding error.

In addition, transfers out, totaling \$5,126,192, were not shown appropriately on the County Clerk’s expenditure report or as part of the expenditures in the budget document. Rather, the transfers out were netted against transfers in or shown as negative revenue by the County Treasurer and in the budget document, which does not allow for an easy expenditure-to-budget comparison.

A good internal control plan requires procedures to ensure that the County Clerk's accounting records reflect accurately the expenditures and transfers of the County. Those same procedures should require the records to be reconciled to the County Treasurer's accounting records, and any discrepancies noted to be resolved in a timely manner.

Without such procedures, there is an increased risk of the County exceeding the approved budget for funds that do not reflect the correct expenditures or transfers. There is also an increased risk for the loss and/or misuse of funds.

We recommend the County Clerk implement procedures to ensure the accounting records reflect accurately the expenditures and transfers of the County and reconcile to the County Treasurer's accounting records, with any discrepancies resolved in a timely manner.

Incomplete Bank Reconciliations

During our audit, we noted that the County Clerk did not perform a monthly bank reconciliation for the County Board Imprest bank account. This lack of reconciliation resulted in an unknown shortage in the account of \$1,178 as of June 30, 2022. This variance has existed since July 2021, and no correction was noted through fieldwork in March 2023.

Good internal control and sound accounting practices require procedures to ensure that bank reconciliations are completed at least monthly. Such procedures include researching, identifying, and correcting all reconciling items in a timely manner, as well as resolving any unknown variances.

Without such procedures, there is an increased risk of errors going undetected, resulting in the loss or misuse of County funds.

We recommend the County Clerk implement procedures for timely, complete, and accurate bank reconciliations, performed at least monthly, and the prompt resolution of any variances noted.

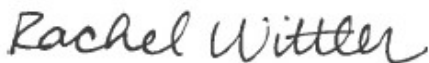
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It should be noted this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

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. The County declined to respond.

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,



Rachel Wittler, CPA, CFE
Audit Manager