

**AUDIT REPORT
OF
SALINE COUNTY**

JULY 1, 2022, THROUGH JUNE 30, 2023

**This document is an official public record of the State of Nebraska, issued by
the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original
document and may be prohibited by law.**

Issued on April 2, 2024

SALINE COUNTY

TABLE OF CONTENTS

	<u>Page</u>
List of County Officials	1
Financial Section	
Independent Auditor's Report	2 - 4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position - Cash Basis	5
Statement of Activities - Cash Basis	6
Fund Financial Statements:	
Statement of Cash Basis Assets and Fund Balances - Governmental Funds	7
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Governmental Funds	8
Statement of Cash Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Fiduciary Funds	9
Notes to Financial Statements	10 - 19
Combining Statements and Schedules:	
Budgetary Comparison Schedule - Budget and Actual - General Fund	20 - 21
Budgetary Comparison Schedule - Budget and Actual - Major Funds	22 - 23
Budgetary Comparison Schedule - Budget and Actual - Nonmajor Funds	24 - 29
Combining Statement of Receipts, Disbursements, and Changes in Cash Basis Fund Balances - Nonmajor Funds	30 - 34
Schedule of Office Activities	35
Schedule of Taxes Certified and Collected for All Political Subdivisions in the County	36
Schedule of Expenditures of Federal Awards	37
Notes to the Schedule of Expenditures of Federal Awards	38
Government Auditing Standards Section	
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 <i>Government Auditing Standards</i>	39 - 40
Independent Auditor's Report on Compliance for each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance	41 - 43
Schedule of Findings and Questioned Costs	44 - 47
Auditee Section	
Corrective Action Plan	48

SALINE COUNTY
204 South High Street
Wilber, NE 68465

LIST OF COUNTY OFFICIALS
At June 30, 2023

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Phil Hardenburger	Jan. 2027
	Janet Henning	Jan. 2025
	Russ Karpisek	Jan. 2025
	Marvin Kohout	Jan. 2025
	Stephanie Krivohlavek	Jan. 2027
Assessor	Brandi Kelly	Jan. 2027
Attorney	David Solheim	Jan. 2027
Clerk Election Commissioner Register of Deeds	Anita Bartels	Jan. 2027
Clerk of the District Court	Amber Mulbery	Jan. 2027
Sheriff	Alan Moore	Jan. 2027
Treasurer	Debbie Spanyers	Jan. 2027
Surveyor	Chris Witulski	Jan. 2027
Veterans' Service Officer	Scott Davis	Appointed
Highway Superintendent	Bruce Filipi	Appointed
Planning & Zoning Weed Superintendent	Lyle Weber	Appointed
Emergency Manager	John McKee	Appointed
Aging Services	Lori Moldenhauer	Appointed



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

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, 2023, 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, 2023, and the respective changes in cash-basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.

Basis for Opinions

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

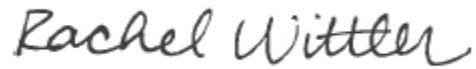
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, schedule of expenditures of Federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and schedule of taxes certified and collected, pages 20-37, 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 March 27, 2024, 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.



Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska

March 27, 2024

SALINE COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2023

	Governmental Activities
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 6,520,353
Investments (Note 1.D)	5,382,745
TOTAL ASSETS	\$ 11,903,098
 NET POSITION	
Restricted for:	
Visitor Promotion	\$ 146,526
Emergency Services	542,418
Law Enforcement	2,557
Preservation of Records	19,810
Debt Service	722,804
Miscellaneous Projects	1,647,745
Road & Bridge Projects	1,296,834
Child Support Enforcement	100,743
Unrestricted	7,423,661
TOTAL NET POSITION	\$ 11,903,098

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, 2023

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (6,438,601)	\$ 622,721	\$ 118,814	\$ (5,697,066)
Public Safety	(4,572,764)	2,604,783	136,443	(1,831,538)
Public Works	(5,686,474)	14,358	2,781,867	(2,890,249)
Public Assistance	(297,443)	16,539	101,518	(179,386)
Culture and Recreation	(52,783)	-	-	(52,783)
Debt Payments	(898,424)	-	-	(898,424)
Total Governmental Activities	<u><u>\$ (17,946,489)</u></u>	<u><u>\$ 3,258,401</u></u>	<u><u>\$ 3,138,642</u></u>	<u><u>(11,549,446)</u></u>

General Receipts:

Taxes:	
Property	7,839,321
Motor Vehicle	539,038
Inheritance	737,850
Insurance Allocation	48,109
Nameplate Capacity	223,131
Other	178,970
Grants and Contributions Not Restricted to Specific Programs	
Investment Income	146,930
Sale of Capital Assets	321,426
Miscellaneous	16,973
Miscellaneous	163,858
Total General Receipts	<u>10,215,606</u>
Change in Net Position	(1,333,840)
Net Position - Beginning of year	13,236,938
Net Position - End of year	<u><u>\$ 11,903,098</u></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, 2023

	General Fund	Road & Bridge Fund	Inheritance Fund	COVID American Rescue Plan Fund	Highway Bridge Buyback Program Fund	Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents (Note 1.D)	\$ 449,974	\$ 487,750	\$ 1,492,003	\$ -	\$ 1,296,834	\$ 2,793,792	\$ 6,520,353
Investments (Note 1.D)	757,000	-	3,028,000	1,597,745	-	-	5,382,745
TOTAL ASSETS	\$ 1,206,974	\$ 487,750	\$ 4,520,003	\$ 1,597,745	\$ 1,296,834	\$ 2,793,792	\$ 11,903,098
FUND BALANCES							
Restricted for:							
Visitor Promotion	-	-	-	-	-	146,526	146,526
Emergency Services	-	-	-	-	-	542,418	542,418
Law Enforcement	-	-	-	-	-	2,557	2,557
Preservation of Records	-	-	-	-	-	19,810	19,810
Debt Service	-	-	-	-	-	722,804	722,804
Miscellaneous Projects	-	-	-	1,597,745	-	50,000	1,647,745
Road & Bridge Projects	-	-	-	-	1,296,834	-	1,296,834
Child Support Enforcement	-	-	-	-	-	100,743	100,743
Committed to:							
Law Enforcement	-	-	-	-	-	619,685	619,685
Road & Bridge Maintenance	-	487,750	-	-	-	318,700	806,450
Aid and Assistance	-	-	-	-	-	235,175	235,175
Baliff Services	-	-	-	-	-	14,307	14,307
Employee Wellness	-	-	-	-	-	14,371	14,371
Drug Court	-	-	-	-	-	6,696	6,696
Assigned to:							
Other Purposes	-	-	4,520,003	-	-	-	4,520,003
Unassigned	1,206,974	-	-	-	-	-	1,206,974
TOTAL CASH BASIS FUND BALANCES	\$ 1,206,974	\$ 487,750	\$ 4,520,003	\$ 1,597,745	\$ 1,296,834	\$ 2,793,792	\$ 11,903,098

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, 2023

	General Fund	Road & Bridge Fund	Inheritance Fund	COVID American Rescue Plan Fund	Highway Bridge Buyback Program Fund	Nonmajor Funds	Total Governmental Funds
RECEIPTS							
Taxes:							
Property	\$7,331,921	\$ -	\$ -	\$ -	\$ -	\$ 507,400	\$ 7,839,321
Motor Vehicle	539,038	-	-	-	-	-	539,038
Inheritance	-	-	737,850	-	-	-	737,850
Insurance Allocation	48,109	-	-	-	-	-	48,109
Nameplate Capacity	208,402	-	-	-	-	14,729	223,131
Other	14,657	193	-	-	-	164,120	178,970
Investment Income	245,422	-	-	75,882	-	122	321,426
Intergovernmental	128,718	1,946,975	-	-	483,877	726,002	3,285,572
Charges for Services	2,877,709	14,358	-	-	-	366,334	3,258,401
Miscellaneous	83,233	52,577	-	-	-	28,048	163,858
TOTAL RECEIPTS	<u>11,477,209</u>	<u>2,014,103</u>	<u>737,850</u>	<u>75,882</u>	<u>483,877</u>	<u>1,806,755</u>	<u>16,595,676</u>
DISBURSEMENTS							
General Government	5,141,674	-	2,290	1,175,170	-	119,467	6,438,601
Public Safety	4,133,602	-	-	-	-	439,162	4,572,764
Public Works	240,326	5,426,742	-	-	-	19,406	5,686,474
Public Assistance	184,111	-	-	-	-	113,332	297,443
Culture and Recreation	-	-	-	-	-	52,783	52,783
Debt Service:							
Principal Payments	-	-	-	-	-	785,000	785,000
Interest and Fiscal Charges	-	-	-	-	-	113,424	113,424
TOTAL DISBURSEMENTS	<u>9,699,713</u>	<u>5,426,742</u>	<u>2,290</u>	<u>1,175,170</u>	<u>-</u>	<u>1,642,574</u>	<u>17,946,489</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>1,777,496</u>	<u>(3,412,639)</u>	<u>735,560</u>	<u>(1,099,288)</u>	<u>483,877</u>	<u>164,181</u>	<u>(1,350,813)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	298	2,592,831	381,905	-	-	118,232	3,093,266
Transfers out	(2,328,563)	(320,000)	(382,500)	-	-	(62,203)	(3,093,266)
Sale of Capital Assets	-	16,973	-	-	-	-	16,973
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,328,265)</u>	<u>2,289,804</u>	<u>(595)</u>	<u>-</u>	<u>-</u>	<u>56,029</u>	<u>16,973</u>
Net Change in Fund Balances	(550,769)	(1,122,835)	734,965	(1,099,288)	483,877	220,210	(1,333,840)
CASH BASIS FUND BALANCES - BEGINNING							
	1,757,743	1,610,585	3,785,038	2,697,033	812,957	2,573,582	13,236,938
CASH BASIS FUND BALANCES - ENDING							
	<u>\$1,206,974</u>	<u>\$ 487,750</u>	<u>\$4,520,003</u>	<u>\$ 1,597,745</u>	<u>\$ 1,296,834</u>	<u>\$2,793,792</u>	<u>\$ 11,903,098</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**
FIDUCIARY FUNDS
For the Year Ended June 30, 2023

	Custodial Fund Balances July 1, 2022	Receipts	Disbursements	Custodial Fund Balances June 30, 2023
ASSETS				
Cash and Cash Equivalents	\$ 1,011,253	\$ 38,724,736	\$ 38,591,949	\$ 1,144,040
LIABILITIES				
Due to other governments				
State - Collected by County Treasurer	364,319	4,061,383	4,068,458	357,244
State - Collected by Other Offices	11,009	186,713	184,372	13,350
Schools	353,423	26,184,577	26,062,875	475,125
Educational Service Units	3,435	393,152	390,796	5,791
Technical College	20,765	2,371,598	2,357,541	34,822
Natural Resource Districts	4,747	695,616	688,880	11,483
Fire Districts	2,942	330,894	327,873	5,963
Municipalities	78,916	3,378,092	3,390,321	66,687
Agricultural Society	1,035	117,445	116,755	1,725
Airport Authority	470	9,648	10,114	4
Historical Society	244	27,760	27,596	408
Hospital	977	157,222	155,650	2,549
Others - Collected by County Treasurer	2,305	196,006	195,062	3,249
Others - Collected by Other Offices	166,666	614,630	615,656	165,640
TOTAL LIABILITIES	<u>1,011,253</u>	<u>38,724,736</u>	<u>38,591,949</u>	<u>1,144,040</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, 2023

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 \$69,855 toward the operation of the Region during fiscal year 2023. 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 \$8,300 toward the operation of the Department during fiscal year 2023. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Supp. 2023). 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 2023. 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 & Bridge 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, Coronavirus State and Local Fiscal Recovery Funds, and is used for miscellaneous projects in accordance with Federal guidelines.

Highway Bridge Buyback Program Fund. This fund is used to account for costs incurred for road projects in the county. It is funded by money received from the State of Nebraska through the Federal Funds Purchase Program.

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 account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

The County designates fund balances as follows:

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

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

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

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

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

1. Summary of Significant Accounting Policies (Concluded)

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 \$4,479,437 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 30, 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, 2023, disbursements exceeded budgeted appropriations in the District Court - Bailiff Fund by \$6,761, and in the Juvenile Services Aid Grant Fund by \$30,172. These over-expenditures were funded by transfers in from the General Fund to the District Court - Bailiff Fund and from the Inheritance Fund to 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 \$6,520,353 for County funds and \$1,144,040 for Fiduciary funds. The bank balances for all funds totaled \$7,601,367. For purposes of classifying categories of custodial credit risk, the bank balances of the County's deposits, as of June 30, 2023, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

The County's carrying value of investments is stated at cost, which approximates market. Investments consisted of \$5,382,745 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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. Taxes

Property taxes are levied by the County Board on or before October 20 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 2022, for the 2022 taxes, which will be materially collected in May and September 2023, was set at \$.313297/\$100 of assessed valuation. The levy set in October 2021, for the 2021 taxes, which were materially collected in May and September 2022, 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.

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, Supp. 2023) and may be amended through legislative action.

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

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

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

For the year ended June 30, 2023, 153 employees contributed \$295,329, and the County contributed \$433,802. Contributions included \$14,228 in cash contributions towards the supplemental law enforcement plan for 21 law enforcement employees.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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 107 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	\$ 500,000	\$ 5,000,000
Workers' Compensation Claim	\$ 550,000	Statutory Limits
Property Damage Claim	\$ 250,000	Insured Value at Replacement Cost

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

6. Interfund Transfers

Interfund transfers for the year ended June 30, 2023, consisted of the following:

	Transfers from				
	General Fund	Inheritance Fund	Road & Bridge Fund	Nonmajor Funds	
Transfers to					
General Fund	\$ -	\$ -	\$ -	\$ 298	\$ 298
Road & Bridge Fund	2,272,831	320,000	-	-	2,592,831
Inheritance Fund	-	-	320,000	61,905	381,905
Nonmajor Funds	55,732	62,500	-	-	118,232
Total	\$ 2,328,563	\$ 382,500	\$ 320,000	\$ 62,203	\$ 3,093,266

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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

6. Interfund Transfers (Concluded)

In the year ended June 30, 2023, the County made one-time transfers to reimburse the General Fund and Inheritance Fund for interfund loans, as follows:

Transfer From	Transfer To	Amount
Road & Bridge Fund	Inheritance Fund	\$ 320,000
Juvenile Services Aid Grant Fund	Inheritance Fund	\$ 29,900
Grant Fund	Inheritance Fund	\$ 20,300
District Court – Bailiff Fund	Inheritance Fund	\$ 10,000
Drug Court Fund	Inheritance Fund	\$ 1,705
Grant Fund	General Fund	\$ 298

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:

	Cab Tractor	Motor Grader	Total
Balance July 1, 2022	\$ 75,325	\$ -	\$ 75,325
Purchases	-	1,250,015	1,250,015
Payments	8,775	-	8,775
Balance June 30, 2023	<u>\$ 66,550</u>	<u>\$ 1,250,015</u>	<u>\$ 1,316,565</u>
Future Payments:			
Year			
2024	\$ 9,970	\$ 324,392	\$ 334,363
2025	58,971	324,392	383,363
2026	-	324,392	324,392
2027	-	324,392	324,392
Total Payments	<u>68,941</u>	<u>1,297,568</u>	<u>1,366,509</u>
Less Interest	<u>2,391</u>	<u>47,553</u>	<u>49,944</u>
Present Value of Future Minimum Lease Payments	<u>\$ 66,550</u>	<u>\$ 1,250,015</u>	<u>\$ 1,316,565</u>
Carrying Value of the Related Fixed Asset	<u>\$ 92,875</u>	<u>\$ 1,591,505</u>	<u>\$ 1,684,380</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, 2023, was \$6,540,000. 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 (Continued)

Future Payments:			
Year	Principal	Interest	Total
2024	\$ 465,000	\$ 75,113	\$ 540,113
2025	475,000	65,713	540,713
2026	480,000	56,163	536,163
2027	495,000	50,125	454,125
2028	495,000	47,279	542,279
2029-2033	2,535,000	173,494	2,708,494
2034-2036	1,595,000	33,589	1,628,589
Total Payments	<u>\$ 6,540,000</u>	<u>\$ 501,474</u>	<u>\$ 7,041,474</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, 2023, was \$2,805,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:			
Year	Principal	Interest	Total
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	350,000	12,640	362,640
2029-2031	1,070,000	17,628	1,087,628
Total Payments	<u>\$ 2,805,000</u>	<u>\$ 103,886</u>	<u>\$ 2,908,886</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 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.

SALINE COUNTY

NOTES TO FINANCIAL STATEMENTS

(Concluded)

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

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
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 8,060,226	\$ 8,060,226	\$ 8,142,127	\$ 81,901
Investment Income	52,000	52,000	245,422	193,422
Intergovernmental	111,000	111,000	128,718	17,718
Charges for Services	2,628,200	2,628,200	2,877,709	249,509
Miscellaneous	26,000	26,000	83,233	57,233
TOTAL RECEIPTS	<u>10,877,426</u>	<u>10,877,426</u>	<u>11,477,209</u>	<u>599,783</u>
DISBURSEMENTS				
General Government:				
County Board	191,213	191,213	189,044	2,169
County Clerk	228,202	228,202	214,498	13,704
County Treasurer	330,197	330,197	313,802	16,395
County Assessor	387,308	387,308	346,804	40,504
Election Commissioner	73,113	73,113	53,773	19,340
Building and Zoning	24,386	24,386	18,936	5,450
Voice Data Services	213,000	213,000	213,000	-
Clerk of the District Court	139,297	139,297	121,186	18,111
County Court System	16,500	16,500	11,385	5,115
District Court - Child Support	318,004	318,004	23,534	294,470
Building and Grounds	435,100	435,100	342,907	92,193
Agricultural Extension Agent	186,382	186,382	166,257	20,125
Miscellaneous	3,249,840	3,249,840	3,126,548	123,292
Public Safety				
County Sheriff	1,080,216	1,080,216	1,072,799	7,417
County Attorney	269,806	269,806	247,042	22,764
Attorney - Child Support	119,730	119,730	103,641	16,089
County Jail	2,260,004	2,260,004	2,242,497	17,507
911 Emergency Services	383,583	383,583	372,831	10,752
Emergency Management	113,650	113,650	94,792	18,858
Public Works				
County Surveyor	35,402	35,402	35,334	68
Noxious Weed Control	73,155	73,155	68,008	5,147
Highway Department	160,600	160,600	136,984	23,616
Public Assistance				
Veterans' Service Officer	62,074	62,074	51,219	10,855
Aging Services Payroll	146,880	146,880	132,892	13,988
TOTAL DISBURSEMENTS	<u>10,497,642</u>	<u>10,497,642</u>	<u>9,699,713</u>	<u>797,929</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>379,784</u>	<u>379,784</u>	<u>1,777,496</u>	<u>1,397,712</u>

(Continued)

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

For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	992,044	992,044	298	(991,746)
Transfers out	<u>(2,753,732)</u>	<u>(2,753,732)</u>	<u>(2,328,563)</u>	<u>425,169</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,761,688)</u>	<u>(1,761,688)</u>	<u>(2,328,265)</u>	<u>(566,577)</u>
Net Change in Fund Balance	(1,381,904)	(1,381,904)	(550,769)	831,135
FUND BALANCE - BEGINNING	<u>1,757,743</u>	<u>1,757,743</u>	<u>1,757,743</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 375,839</u></u>	<u><u>\$ 375,839</u></u>	<u><u>\$ 1,206,974</u></u>	<u><u>\$ 831,135</u></u>
				(Concluded)

SALINE COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD & BRIDGE FUND				
RECEIPTS				
Taxes	\$ -	\$ -	\$ 193	\$ 193
Intergovernmental	1,823,184	1,823,184	1,946,975	123,791
Charges for Services	14,500	14,500	14,358	(142)
Miscellaneous	173,475	173,475	52,577	(120,898)
TOTAL RECEIPTS	2,011,159	2,011,159	2,014,103	2,944
DISBURSEMENTS	6,019,300	6,019,300	5,426,742	592,558
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,008,141)	(4,008,141)	(3,412,639)	595,502
OTHER FINANCING SOURCES (USES)				
Transfers in	2,698,000	2,698,000	2,592,831	(105,169)
Transfers out	-	-	(320,000)	(320,000)
Sale of Capital Assets	-	-	16,973	16,973
TOTAL OTHER FINANCING SOURCES (USES)	2,698,000	2,698,000	2,289,804	(408,196)
Net Change in Fund Balance	(1,310,141)	(1,310,141)	(1,122,835)	187,306
FUND BALANCE - BEGINNING	1,610,736	1,610,736	1,610,585	(151)
FUND BALANCE - ENDING	<u>\$ 300,595</u>	<u>\$ 300,595</u>	<u>\$ 487,750</u>	<u>\$ 187,155</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 250,000	\$ 250,000	\$ 737,850	\$ 487,850
TOTAL RECEIPTS	250,000	250,000	737,850	487,850
DISBURSEMENTS	3,053,038	3,053,038	2,290	3,050,748
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,803,038)	(2,803,038)	735,560	3,538,598
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	381,905	381,905
Transfers out	(982,000)	(982,000)	(382,500)	599,500
TOTAL OTHER FINANCING SOURCES (USES)	(982,000)	(982,000)	(595)	981,405
Net Change in Fund Balance	(3,785,038)	(3,785,038)	734,965	4,520,003
FUND BALANCE - BEGINNING	3,785,038	3,785,038	3,785,038	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,520,003</u>	<u>\$ 4,520,003</u>

(Continued)

SALINE COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COVID AMERICAN RESCUE PLAN FUND				
RECEIPTS				
Investment Income	\$ -	\$ -	\$ 75,882	\$ 75,882
TOTAL RECEIPTS	-	-	75,882	75,882
DISBURSEMENTS	2,697,033	2,697,033	1,175,170	1,521,863
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,697,033)	(2,697,033)	(1,099,288)	1,597,745
Net Change in Fund Balance	(2,697,033)	(2,697,033)	(1,099,288)	1,597,745
FUND BALANCE - BEGINNING	2,697,033	2,697,033	2,697,033	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,597,745</u>	<u>\$ 1,597,745</u>
HIGHWAY BRIDGE BUYBACK PROGRAM FUND				
RECEIPTS				
Intergovernmental	\$ 473,619	\$ 473,619	\$ 483,877	\$ 10,258
TOTAL RECEIPTS	473,619	473,619	483,877	10,258
DISBURSEMENTS	1,286,576	1,286,576	-	1,286,576
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(812,957)	(812,957)	483,877	1,296,834
Net Change in Fund Balance	(812,957)	(812,957)	483,877	1,296,834
FUND BALANCE - BEGINNING	812,957	812,957	812,957	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,296,834</u>	<u>\$ 1,296,834</u>

(Concluded)

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

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EMERGENCY BRIDGE FUND				
Receipts	\$ -	\$ -	\$ 12	\$ 12
Disbursements	(173,303)	(173,303)	-	173,303
Net Change in Fund Balance	(173,303)	(173,303)	12	173,315
Fund Balance - Beginning	173,303	173,303	173,303	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,315</u>	<u>\$ 173,315</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	\$ 52,952	\$ 52,952	\$ 49,338	\$ (3,614)
Disbursements	(89,750)	(89,750)	(86,511)	3,239
Transfers in	36,798	36,798	46,798	10,000
Transfers out	-	-	(10,000)	(10,000)
Net Change in Fund Balance	-	-	(375)	(375)
Fund Balance - Beginning	14,681	14,681	14,682	1
Fund Balance - Ending	<u>\$ 14,681</u>	<u>\$ 14,681</u>	<u>\$ 14,307</u>	<u>\$ (374)</u>
CHILD SUPPORT INCENTIVE FUND				
Receipts	\$ -	\$ -	\$ 14,172	\$ 14,172
Disbursements	(104,111)	(104,111)	(17,540)	86,571
Net Change in Fund Balance	(104,111)	(104,111)	(3,368)	100,743
Fund Balance - Beginning	104,111	104,111	104,111	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,743</u>	<u>\$ 100,743</u>
VISITOR PROMOTION FUND				
Receipts	\$ 13,000	\$ 13,000	\$ 38,983	\$ 25,983
Disbursements	(79,452)	(79,452)	(19,525)	59,927
Net Change in Fund Balance	(66,452)	(66,452)	19,458	85,910
Fund Balance - Beginning	66,452	66,452	66,452	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,910</u>	<u>\$ 85,910</u>

(Continued)

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

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
VISITOR IMPROVEMENT FUND				
Receipts	\$ 13,000	\$ 13,000	\$ 38,982	\$ 25,982
Disbursements	(67,892)	(67,892)	(33,258)	34,634
Net Change in Fund Balance	(54,892)	(54,892)	5,724	60,616
Fund Balance - Beginning	54,892	54,892	54,892	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,616</u>	<u>\$ 60,616</u>
PRESERVATION AND MODERNIZATION FUND				
Receipts	\$ 10,000	\$ 10,000	\$ 10,100	\$ 100
Disbursements	(21,742)	(21,742)	(2,032)	19,710
Net Change in Fund Balance	(11,742)	(11,742)	8,068	19,810
Fund Balance - Beginning	11,742	11,742	11,742	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,810</u>	<u>\$ 19,810</u>
EMPLOYEE WELLNESS FUND				
Receipts	\$ 2,200	\$ 2,200	\$ 955	\$ (1,245)
Disbursements	(29,000)	(29,000)	(13,384)	15,616
Transfers in	8,648	8,648	8,648	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(18,152)	(18,152)	(3,781)	14,371
Fund Balance - Beginning	18,152	18,152	18,152	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,371</u>	<u>\$ 14,371</u>
VETERANS' AID FUND				
Receipts	\$ -	\$ -	\$ 2	\$ 2
Disbursements	(3,337)	(3,337)	-	3,337
Net Change in Fund Balance	(3,337)	(3,337)	2	3,339
Fund Balance - Beginning	3,337	3,337	3,337	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,339</u>	<u>\$ 3,339</u>
AGING SERVICE FUND				
Receipts	\$ 169,463	\$ 169,463	\$ 149,819	\$ (19,644)
Disbursements	(344,812)	(344,812)	(113,332)	231,480
Transfers in	5,503	5,503	5,503	-
Transfers out	-	-	-	-
Net Change in Fund Balance	(169,846)	(169,846)	41,990	211,836
Fund Balance - Beginning	189,846	189,846	189,846	-
Fund Balance - Ending	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 231,836</u>	<u>\$ 211,836</u>

(Continued)

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

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
JUVENILE DIVERSION FUND				
Receipts	\$ 100	\$ 100	\$ 1,845	\$ 1,745
Disbursements	(7,886)	(7,886)	(662)	7,224
Net Change in Fund Balance	(7,786)	(7,786)	1,183	8,969
Fund Balance - Beginning	7,786	7,786	7,786	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,969</u>	<u>\$ 8,969</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	\$ 19,094	\$ 19,094	\$ 18,451	\$ (643)
Disbursements	(28,450)	(28,450)	(19,406)	9,044
Transfers in	4,783	4,783	4,783	-
Transfers out	-	-	(1,705)	(1,705)
Net Change in Fund Balance	(4,573)	(4,573)	2,123	6,696
Fund Balance - Beginning	4,573	4,573	4,573	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,696</u>	<u>\$ 6,696</u>
FEDERAL DRUG LAW ENFORCEMENT FUND				
Receipts	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Disbursements	(100,000)	(100,000)	-	100,000
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
GRANT FUND				
Receipts	\$ 106,604	\$ 106,604	\$ 37,372	\$ (69,232)
Disbursements	(109,500)	(109,500)	(36,636)	72,864
Transfers in	-	-	19,100	19,100
Transfers out	-	-	(20,598)	(20,598)
Net Change in Fund Balance	(2,896)	(2,896)	(762)	2,134
Fund Balance - Beginning	2,896	2,896	2,896	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,134</u>	<u>\$ 2,134</u>

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

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>HOMELAND SECURITY GRANT FUND</u>				
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>
<u>EMERGENCY PREPAREDNESS GRANT FUND</u>				
Receipts	\$ 30,000	\$ 30,000	\$ 31,381	\$ 1,381
Disbursements	(103,924)	(103,924)	(7,768)	96,156
Net Change in Fund Balance	(73,924)	(73,924)	23,613	97,537
Fund Balance - Beginning	73,924	73,924	73,924	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,537</u>	<u>\$ 97,537</u>
<u>JUVENILE SERVICES AID GRANT FUND</u>				
Receipts	\$ 72,495	\$ 72,495	\$ 67,690	\$ (4,805)
Disbursements	(70,662)	(70,662)	(70,934)	(272)
Transfers in	-	-	33,400	33,400
Transfers out	-	-	(29,900)	(29,900)
Proceeds from Sale of Bonds	-	-	-	-
Net Change in Fund Balance	1,833	1,833	256	(1,577)
Fund Balance - Beginning	167	167	167	-
Fund Balance - Ending	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 423</u>	<u>\$ (1,577)</u>
<u>LOCAL ASSISTANCE AND TRIBAL CONSISTENCY FUND</u>				
Receipts	\$ -	\$ -	\$ 50,000	\$ 50,000
Disbursements	-	-	-	-
Net Change in Fund Balance	-	-	50,000	50,000
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
<u>911 EMERGENCY MANAGEMENT FUND</u>				
Receipts	\$ 28,000	\$ 28,000	\$ 22,339	\$ (5,661)
Disbursements	(155,909)	(155,909)	(7,002)	148,907
Net Change in Fund Balance	(127,909)	(127,909)	15,337	143,246
Fund Balance - Beginning	127,909	127,909	127,909	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,246</u>	<u>\$ 143,246</u>

(Continued)

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

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
911 WIRELESS SERVICE FUND				
Receipts	\$ 63,497	\$ 63,497	\$ 63,497	\$ -
Disbursements	(239,393)	(239,393)	(26,652)	212,741
Net Change in Fund Balance	(175,896)	(175,896)	36,845	212,741
Fund Balance - Beginning	175,896	175,896	175,896	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,741</u>	<u>\$ 212,741</u>
911 WIRELESS SERVICE HOLDING FUND				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(95,200)	(95,200)	(6,933)	88,267
Net Change in Fund Balance	(95,200)	(95,200)	(6,933)	88,267
Fund Balance - Beginning	95,200	95,200	95,200	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,267</u>	<u>\$ 88,267</u>
CRIME PREVENTION FUND				
Receipts	\$ 22,400	\$ 22,400	\$ 28,823	\$ 6,423
Disbursements	(219,015)	(219,015)	(32,738)	186,277
Net Change in Fund Balance	(196,615)	(196,615)	(3,915)	192,700
Fund Balance - Beginning	196,615	196,615	196,615	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 192,700</u>	<u>\$ 192,700</u>
COMMISSARY FUND				
Receipts	\$ 183,000	\$ 183,000	\$ 308,072	\$ 125,072
Disbursements	(532,681)	(532,681)	(249,837)	282,844
Net Change in Fund Balance	(349,681)	(349,681)	58,235	407,916
Fund Balance - Beginning	349,681	349,681	349,681	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,916</u>	<u>\$ 407,916</u>
JAIL BOND FUND				
Receipts	\$ -	\$ -	\$ 56	\$ 56
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(10,044)	(10,044)	-	10,044
Net Change in Fund Balance	(10,044)	(10,044)	56	10,100
Fund Balance - Beginning	10,044	10,044	10,044	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,100</u>	<u>\$ 10,100</u>

(Continued)

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

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
COURTHOUSE BUILDING BOND FUND				
Receipts	\$ 517,000	\$ 517,000	\$ 523,851	\$ 6,851
Disbursements	(1,011,896)	(1,011,896)	(543,744)	468,152
Net Change in Fund Balance	(494,896)	(494,896)	(19,893)	475,003
Fund Balance - Beginning	494,896	494,896	494,896	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 475,003</u>	<u>\$ 475,003</u>
HIGHWAY BOND FUND				
Receipts	\$ 351,015	\$ 351,015	\$ 351,015	\$ -
Disbursements	(602,481)	(602,481)	(354,680)	247,801
Net Change in Fund Balance	(251,466)	(251,466)	(3,665)	247,801
Fund Balance - Beginning	251,466	251,466	251,466	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,801</u>	<u>\$ 247,801</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, 2023

	Emergency Bridge Fund	Special Road Fund	District Court - Bailiff Fund	Child Support Incentive Fund	Visitor Promotion Fund
RECEIPTS					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Nameplate Capacity	-	-	-	-	-
Other	12	-	-	-	38,983
Investment Income	-	-	-	-	-
Intergovernmental	-	-	49,338	14,172	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	12	-	49,338	14,172	38,983
DISBURSEMENTS					
General Government	-	-	86,511	17,540	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	19,525
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	-	-	86,511	17,540	19,525
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	12	-	(37,173)	(3,368)	19,458
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	46,798	-	-
Transfers out	-	-	(10,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	36,798	-	-
Net Change in Fund Balances	12	-	(375)	(3,368)	19,458
FUND BALANCES - BEGINNING	173,303	144,285	14,682	104,111	66,452
FUND BALANCES - ENDING	\$ 173,315	\$ 144,285	\$ 14,307	\$ 100,743	\$ 85,910
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	85,910
Emergency Services	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	100,743	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road & Bridge Maintenance	173,315	144,285	-	-	-
Aid and Assistance	-	-	-	-	-
Baliff Services	-	-	14,307	-	-
Employee Wellness	-	-	-	-	-
Drug Court	-	-	-	-	-
TOTAL FUND BALANCES	\$ 173,315	\$ 144,285	\$ 14,307	\$ 100,743	\$ 85,910

(Continued)

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

For the Year Ended June 30, 2023

	Visitor Improvement Fund	Preservation and Modernization Fund	Employee Wellness Fund	Veterans' Aid Fund	Aging Service Fund	Juvenile Diversion Fund
RECEIPTS						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nameplate Capacity	-	-	-	-	-	-
Other	38,982	-	-	2	-	-
Investment Income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	107,017	-
Charges for Services	-	10,100	955	-	16,539	1,845
Miscellaneous	-	-	-	-	26,263	-
TOTAL RECEIPTS	38,982	10,100	955	2	149,819	1,845
DISBURSEMENTS						
General Government	-	2,032	13,384	-	-	-
Public Safety	-	-	-	-	-	662
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	113,332	-
Culture and Recreation	33,258	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	33,258	2,032	13,384	-	113,332	662
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	5,724	8,068	(12,429)	2	36,487	1,183
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	8,648	-	5,503	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	8,648	-	5,503	-
Net Change in Fund Balances	5,724	8,068	(3,781)	2	41,990	1,183
FUND BALANCES - BEGINNING	54,892	11,742	18,152	3,337	189,846	7,786
FUND BALANCES - ENDING	\$ 60,616	\$ 19,810	\$ 14,371	\$ 3,339	\$ 231,836	\$ 8,969
FUND BALANCES:						
Restricted for:						
Visitor Promotion	60,616	-	-	-	-	-
Emergency Services	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	19,810	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	8,969
Road & Bridge Maintenance	-	-	-	-	-	-
Aid and Assistance	-	-	-	3,339	231,836	-
Baliff Services	-	-	-	-	-	-
Employee Wellness	-	-	14,371	-	-	-
Drug Court	-	-	-	-	-	-
TOTAL FUND BALANCES	\$ 60,616	\$ 19,810	\$ 14,371	\$ 3,339	\$ 231,836	\$ 8,969

(Continued)

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

For the Year Ended June 30, 2023

	Drug Court Fund	Grant Fund	Homeland Security Grant Fund	Emergency Preparedness Grant Fund	Juvenile Services Aid Grant Fund	Local Assistance and Tribal Consistency Fund
RECEIPTS						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nameplate Capacity	-	-	-	-	-	-
Other	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Intergovernmental	16,666	37,372	-	31,381	67,690	50,000
Charges for Services	-	-	-	-	-	-
Miscellaneous	1,785	-	-	-	-	-
TOTAL RECEIPTS	18,451	37,372	-	31,381	67,690	50,000
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	36,636	-	7,768	70,934	-
Public Works	19,406	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
TOTAL DISBURSEMENTS	19,406	36,636	-	7,768	70,934	-
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(955)	736	-	23,613	(3,244)	50,000
OTHER FINANCING SOURCES (USES)						
Transfers in	4,783	19,100	-	-	33,400	-
Transfers out	(1,705)	(20,598)	-	-	(29,900)	-
TOTAL OTHER FINANCING SOURCES (USES)	3,078	(1,498)	-	-	3,500	-
Net Change in Fund Balances	2,123	(762)	-	23,613	256	50,000
FUND BALANCES - BEGINNING	4,573	2,896	627	73,924	167	-
FUND BALANCES - ENDING	\$ 6,696	\$ 2,134	\$ 627	\$ 97,537	\$ 423	\$ 50,000
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
Emergency Services	-	-	627	97,537	-	-
Law Enforcement	-	2,134	-	-	423	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-	50,000
Child Support Enforcement	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Road & Bridge Maintenance	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
Baliff Services	-	-	-	-	-	-
Employee Wellness	-	-	-	-	-	-
Drug Court	6,696	-	-	-	-	-
TOTAL FUND BALANCES	\$ 6,696	\$ 2,134	\$ 627	\$ 97,537	\$ 423	\$ 50,000

(Continued)

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

For the Year Ended June 30, 2023

	911 Emergency Management Fund	911 Wireless Service Fund	911 Wireless Service Holding Fund	Crime Prevention Fund	Commissary Fund
RECEIPTS					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Nameplate Capacity	-	-	-	-	-
Other	22,217	63,497	-	-	-
Investment Income	122	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	28,823	308,072
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	22,339	63,497	-	28,823	308,072
DISBURSEMENTS					
General Government	-	-	-	-	-
Public Safety	7,002	26,652	6,933	32,738	249,837
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
TOTAL DISBURSEMENTS	7,002	26,652	6,933	32,738	249,837
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	15,337	36,845	(6,933)	(3,915)	58,235
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-
Net Change in Fund Balances	15,337	36,845	(6,933)	(3,915)	58,235
FUND BALANCES - BEGINNING	127,909	175,896	95,200	196,615	349,681
FUND BALANCES - ENDING	\$ 143,246	\$ 212,741	\$ 88,267	\$ 192,700	\$ 407,916
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
Emergency Services	143,246	212,741	88,267	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-
Child Support Enforcement	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	192,700	407,916
Road & Bridge Maintenance	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
Baliff Services	-	-	-	-	-
Employee Wellness	-	-	-	-	-
Drug Court	-	-	-	-	-
TOTAL FUND BALANCES	\$ 143,246	\$ 212,741	\$ 88,267	\$ 192,700	\$ 407,916

(Continued)

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

For the Year Ended June 30, 2023

	Jail Bond Fund	Courthouse Building Bond Fund	Highway Bond Fund	Infrastructure Damage & Disaster Fund	Total Nonmajor Funds
RECEIPTS					
Taxes:					
Property	\$ 56	\$ 507,344	\$ -	\$ -	\$ 507,400
Nameplate Capacity	-	14,729	-	-	14,729
Other	-	427	-	-	164,120
Investment Income	-	-	-	-	122
Intergovernmental	-	1,351	351,015	-	726,002
Charges for Services	-	-	-	-	366,334
Miscellaneous	-	-	-	-	28,048
TOTAL RECEIPTS	56	523,851	351,015	-	1,806,755
DISBURSEMENTS					
General Government	-	-	-	-	119,467
Public Safety	-	-	-	-	439,162
Public Works	-	-	-	-	19,406
Public Assistance	-	-	-	-	113,332
Culture and Recreation	-	-	-	-	52,783
Debt Service:					
Principal Payments	-	460,000	325,000	-	785,000
Interest and Fiscal Charges	-	83,744	29,680	-	113,424
TOTAL DISBURSEMENTS	-	543,744	354,680	-	1,642,574
EXCESS (DEFICIENCY) OF RECEIPTS OVER (UNDER) DISBURSEMENTS	56	(19,893)	(3,665)	-	164,181
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	118,232
Transfers out	-	-	-	-	(62,203)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	56,029
Net Change in Fund Balances	56	(19,893)	(3,665)	-	220,210
FUND BALANCES - BEGINNING	10,044	494,896	251,466	1,100	2,573,582
FUND BALANCES - ENDING	\$ 10,100	\$ 475,003	\$ 247,801	\$ 1,100	\$ 2,793,792
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	146,526
Emergency Services	-	-	-	-	542,418
Law Enforcement	-	-	-	-	2,557
Preservation of Records	-	-	-	-	19,810
Debt Service	-	475,003	247,801	-	722,804
Miscellaneous Projects	-	-	-	-	50,000
Child Support Enforcement	-	-	-	-	100,743
Committed to:					
Law Enforcement	10,100	-	-	-	619,685
Road & Bridge Maintenance	-	-	-	1,100	318,700
Aid and Assistance	-	-	-	-	235,175
Baliff Services	-	-	-	-	14,307
Employee Wellness	-	-	-	-	14,371
Drug Court	-	-	-	-	6,696
TOTAL FUND BALANCES	\$ 10,100	\$ 475,003	\$ 247,801	\$ 1,100	\$ 2,793,792

(Concluded)

SALINE COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2023

	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, 2022	\$ 18,863	\$151,236	\$ 39,548	\$ 2,503	\$ -	\$ 3,578	\$ 25	\$ 60	\$ -	\$ 6,621	\$ 222,434
RECEIPTS											
Intergovernmental	-	-	37,372	-	-	-	-	107,555	-	-	144,927
Charges for Services	109,508	29,562	234,829	130	9,225	-	945	16,007	1,845	-	402,051
Miscellaneous	-	-	5,009	11,307	58,533	-	-	26,202	-	8,886	109,937
State Fees	170,399	16,314	-	-	-	-	-	-	-	-	186,713
Other Liabilities	773	212,700	390,706	10,451	-	-	-	-	-	-	614,630
TOTAL RECEIPTS	<u>280,680</u>	<u>258,576</u>	<u>667,916</u>	<u>21,888</u>	<u>67,758</u>	<u>-</u>	<u>945</u>	<u>149,764</u>	<u>1,845</u>	<u>8,886</u>	<u>1,458,258</u>
DISBURSEMENTS											
Payments to County Treasurer	109,400	28,933	279,087	130	67,758	-	970	149,764	1,845	7,332	645,219
Payments to State Treasurer	167,425	16,947	-	-	-	-	-	-	-	-	184,372
Petty Cash & Other Payments	-	-	-	10,807	-	603	-	-	-	8,100	19,510
Other Liabilities	773	221,152	383,280	10,451	-	-	-	-	-	-	615,656
TOTAL DISBURSEMENTS	<u>277,598</u>	<u>267,032</u>	<u>662,367</u>	<u>21,388</u>	<u>67,758</u>	<u>603</u>	<u>970</u>	<u>149,764</u>	<u>1,845</u>	<u>15,432</u>	<u>1,464,757</u>
BALANCES JUNE 30, 2023	<u>\$ 21,945</u>	<u>\$142,780</u>	<u>\$ 45,097</u>	<u>\$ 3,003</u>	<u>\$ -</u>	<u>\$ 2,975</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 215,935</u>
BALANCES CONSIST OF:											
Due to County Treasurer	\$ 9,429	\$ 1,802	\$ 9,676	\$ 3	\$ -	\$ 2,975	\$ -	\$ -	\$ -	\$ -	\$ 23,885
Petty Cash	-	-	10,000	3,000	-	-	-	60	-	-	13,060
Due to State Treasurer	12,516	834	-	-	-	-	-	-	-	-	13,350
Due to Others	-	140,144	25,421	-	-	-	-	-	-	75	165,640
BALANCES JUNE 30, 2023	<u>\$ 21,945</u>	<u>\$142,780</u>	<u>\$ 45,097</u>	<u>\$ 3,003</u>	<u>\$ -</u>	<u>\$ 2,975</u>	<u>\$ -</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 215,935</u>

SALINE COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2023

Item	2018	2019	2020	2021	2022
Tax Certified by Assessor					
Real Estate	\$ 30,555,413	\$ 30,596,876	\$ 31,450,115	\$ 32,181,553	\$ 33,369,563
Personal and Specials	1,366,746	1,595,630	1,812,760	1,971,767	2,032,037
Total	31,922,159	32,192,506	33,262,875	34,153,320	35,401,600
Corrections					
Additions	3,902	18,080	2,094	1,041	4,802
Deductions	(2,232)	(15,172)	(6,929)	(7,920)	(13,942)
Net Additions/ (Deductions)	1,670	2,908	(4,835)	(6,879)	(9,140)
Corrected Certified Tax	31,923,829	32,195,414	33,258,040	34,146,441	35,392,460
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2019	19,390,597	-	-	-	-
June 30, 2020	12,519,299	19,462,949	-	-	-
June 30, 2021	10,365	12,683,521	20,516,858	-	-
June 30, 2022	99	43,593	12,731,195	21,624,383	-
June 30, 2023	1,529	2,610	6,238	12,497,524	22,545,492
Total Net Collections	31,921,889	32,192,673	33,254,291	34,121,907	22,545,492
Total Uncollected Tax	\$ 1,940	\$ 2,741	\$ 3,749	\$ 24,534	\$ 12,846,968
Percentage Uncollected Tax	0.01%	0.01%	0.01%	0.07%	36.30%

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

SALINE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing	Pass-Through Entity Identifying	Total Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Nebraska Department of Health and Human Services			
Child Support Enforcement	93.563	51502 Y3 51448 Y3	104,435
Passed through City of Lincoln			
Aging Cluster:			
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	128132191	7,560
Special Programs for the Aging - Title III, Part C, Nutrition Services	93.045	128132191	5,738
Nutrition Services Incentive Program	93.053	Not Available	2,330
Total Aging Cluster			<u>15,628</u>
Total U.S. Department of Health and Human Services			<u>120,063</u>
DEPARTMENT OF INTERIOR			
National Wildlife Refuge Fund	15.659	Not Applicable	<u>112</u>
Total U.S. Department of Interior			<u>112</u>
DEPARTMENT OF TRANSPORTATION			
Passed through Nebraska Department of Transportation			
Highway Safety Cluster:			
State and Community Highway Safety	20.600	402-22-27-54 402-23-05-23 4021-23-12-31 402-23-27-347	21,072
National Priority Safety Programs	20.616	405d-22-51-62 405d-23-51-19 405b-23-14-04	16,837
Total Highway Safety Cluster			<u>37,909</u>
Total U.S. Department of Transportation			<u>37,909</u>
DEPARTMENT OF TREASURY			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Not Applicable *	<u>1,175,170</u>
Total U.S. Department of Treasury			<u>1,175,170</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 1,333,254</u></u>

* Represents Major Program
See accompanying Notes to the Schedule of Expenditures of Federal Awards

SALINE COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2023

1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards (Schedule) includes the Federal award activity of Saline County (County) under programs of the Federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Saline County, it is not intended to and does not present the financial position or changes in net assets of the County. The County's reporting entity is defined in Note 1.A. to the County's financial statements. Federal awards received directly from Federal agencies, as well as those passed through other government agencies, are included in the Schedule. Unless otherwise noted on the Schedule, all programs are received directly from the respective Federal agency.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Saline County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 27, 2024. 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.

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

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 March 27, 2024.

Saline County's Response to Findings

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

Purpose of this Report

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

March 27, 2024



Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

SALINE COUNTY INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Saline County, Nebraska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Saline County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Saline County's major Federal programs for the year ended June 30, 2023. Saline County's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Saline County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as Finding #2023-002. Our opinion on each major Federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Saline County's response to the noncompliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Saline County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Saline County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Saline County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as Finding #2023-002 to be significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on Saline County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Saline County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Saline County is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. Saline County's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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



Rachel Wittler, CPA, CFE
Audit Manager
Lincoln, Nebraska

March 27, 2024

SALINE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

___ Yes X No

Significant deficiencies identified?

X Yes ___ None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

___ Yes X No

Significant deficiencies identified?

X Yes ___ None Reported

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

Unmodified

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

X Yes ___ No

Major programs: **COVID-19 – Coronavirus State and Local Fiscal Recovery Funds: AL #21.027**

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

\$750,000

Auditee qualified as low-risk auditee?

___ Yes X No

SALINE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Continued)

Section II – Financial Statement Findings

Finding # 2023-001

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

Section III – Federal Award Findings and Questioned Costs

Finding # 2023-002

<u>Program</u> -	AL 21.027 – COVID-19 – Coronavirus State and Local Fiscal Recovery Funds – Suspension & Debarment
<u>Grant Number & Year</u> -	SLFRP0923, March 3, 2021, through December 31, 2024
<u>Federal Grantor Agency</u> -	U.S. Department of the Treasury
<u>Criteria</u> -	Title 2 of the U.S. Code of Federal Regulations (CFR) § 200.303 (January 1, 2023) states the following, in relevant part:

The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

SALINE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Continued)

The U.S. Department of the Treasury adopted the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR § 1000.10 (January 1, 2023), which states the following:

Except for the deviations set forth elsewhere in this Part, the Department of the Treasury adopts the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, set forth at 2 CFR part 200.

2 CFR § 200.214 (January 1, 2023) states the following:

Non-Federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. The regulations in 2 CFR part 180 restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

2 CFR § 180.300 (January 1, 2023) requires non-Federal entities to verify that an entity is not excluded or disqualified prior to entering into a covered transaction by: “(a) Checking SAM Exclusions; or (b) Collecting a certification from that . . . [entity]; or (c) Adding a clause or condition to the covered transaction with that . . . [entity].”

A good internal control plan requires the County to have proper procedures in place to verify that contractors paid with Federal funds are not suspended, debarred, or otherwise excluded from or ineligible for participation in Federal programs or activities.

Condition -

Saline County did not have controls in place to ensure that suspension and debarment requirements were followed and adequately documented.

We noted the County used Coronavirus State and Local Fiscal Recovery Funds to pay five vendors over \$25,000 each, totaling \$773,630, during the fiscal year ended June 30, 2023. The County failed to ensure that these vendors were not excluded or disqualified prior to entering into these covered transactions.

We reviewed SAM.gov and noted none of these vendors were suspended, debarred, or otherwise excluded from participation in Federal programs or activities as of the date testing was performed.

Repeat Finding -

No

Questioned Costs -

None

Statistical Sample -

No

Context -

The following table provides details of the covered transactions noted:

Vendor	Amount
FIRST WIRELESS	\$ 355,689
MMC MECHANICAL CONTRACTORS	166,133
XTREME HEATING & COOLING	110,304
GRUNWALD MECHANICAL CONTRACTORS	101,504
HOMETOWN HOUSING, USA	40,000
TOTAL	\$ 773,630

SALINE COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

(Concluded)

- Cause - Lack of procedures and knowledge regarding suspension and debarment requirements
- Effect - Without adequate procedures to ensure contractors are not suspended, debarred, or otherwise excluded from or ineligible for participation in Federal programs or activities, there is an increased risk for the misuse of Federal funds and noncompliance with Federal regulations, leading to possible Federal sanctions.
- Recommendation - We recommend the County implement procedures to ensure, prior to entering into a covered transaction, that a contractor is not suspended, debarred, or otherwise excluded from or ineligible for participation in Federal programs or activities, and those procedures are adequately documented.
- View of Officials - The County will implement procedures to ensure when a contractor is paid with federal funds, sam.gov will be utilized to verify the entity has not been suspended or debarred and such procedure will be adequately documented.



SALINE COUNTY

PO BOX 865 • WILBER, NEBRASKA 68465

PHONE 402-821-2374

Commissioner District 1-----Commissioner District 2-----Commissioner District 3
Stephanie Krivohlavek **Philip S. Hardenburger** **Marvin A. Kohout**
Wilber, NE 68445 Crete, NE 68333 Dorchester, NE 68343

Commissioner District 4-----Commissioner District 5
Russ Karpisek **Janet J. Henning**
Wilber, NE 68465 Crete, NE 68333

CORRECTIVE ACTION PLAN

Year Ended June 30, 2023

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

I. Findings Related to the Financial Statements

Finding 2023-001: Segregation of Duties

Corrective Action Planned:

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

Anticipated Completion Date:

Ongoing

Responsible Party:

Phil Hardenburger, Saline County Board of Commissioners, Chairperson

II. Findings Related to Federal Awards

Finding 2023-002: Suspension and Debarment

Program:

AL 21.027 – COVID-19 – Coronavirus State and Local Fiscal Recovery Funds – Suspension and Debarment

Corrective Action Planned:

The County will implement procedures to ensure when a contractor is paid with federal funds, sam.gov will be utilized to verify the entity has not been suspended or debarred and such procedure will be adequately documented.

Anticipated Completion Date:

Ongoing

Responsible Party:

Phil Hardenburger, Saline County Board of Commissioners, Chairperson



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@nebraska.gov
PO Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
auditors.nebraska.gov

March 27, 2024

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, 2023, and have issued our report thereon dated March 27, 2024. 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.

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

Receipting Procedures

During the audit, we noted three offices did not maintain adequate documentation, such as the issuance of receipts, to support all funds received and verify the total amounts collected.

- During the fiscal year, we noted the County Juvenile Diversion Office started to maintain receipts on hand; however, we noted 13 receipts that were unaccounted for due to the Office borrowing another County office's receipt book instead of using its own. Due to this, we were unable to determine if all receipts were accounted for.
- The Planning & Zoning Office does not issue receipts upon collection of any funds. Instead, they keep copies of applications issued; however, the applications are not prenumbered and the total number issued could not be verified. During our review of permits issued, we noted two permit numbers, Application 8-2023 and CU-1-2023, were not used, and information was provided that these permits were voided. A copy of the voided permit or other documentation was not on file to verify this information.
- The Aging Services Office issues receipts upon deposit of the funds with the County Treasurer. During the fiscal year, we noted 15 deposits with the County Treasurer, totaling \$630, that did not have a corresponding receipt at the Aging Services Office.

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 adequate controls, there is an increased risk of loss, theft, or misuse of County Funds.

A similar finding was noted in the prior audit.

We recommend the County Juvenile Diversion Office, County Planning & Zoning Office, and Aging Services 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.

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, as those records 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 2023 totaled \$6,849,993.

Due to the timing of the meetings and the unavailability of the payroll records as noted above, a summary listing of claims was not published for the entire fiscal year, as required by Statute.

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.

Good internal controls require procedures to ensure the County Board approves payroll prior to payment and publishes a summary listing of claims in a newspaper of general circulation.

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

A similar finding was noted in the prior audit.

We recommend the County Board implement procedures to ensure the County Board approves payroll prior to payment and publishes a summary listing of claims in a newspaper of general circulation.

Payroll Issues

During our audit, we noted multiple payroll issues related to retirement withholdings, tax withholdings, and approval of payrates for both elected officials and employees of the County.

Retirement Withholding Issues

During our testing, we noted the following:

- For 21 certified law enforcement employees, the employer contributions were withheld at the incorrect rate from January 1, 2023, to June 30, 2023. The County incorrectly withheld at a rate of 7.5% instead of the statutorily required rate of 7.75%, resulting in shortage of \$1,861.
 - Similarly, in December 2023, the County completed make-up contributions for law enforcement employees who received premium pay through the COVID American Rescue Plan Fund. These make-up contributions were also withheld at the incorrect rate. For one employee tested, we noted a shortage of \$13.
- For four employees, the employee and employer contributions were not withheld in January 2023, resulting in a shortage of \$282 in employee contributions and \$638 in employer contributions.
- For two employees, the employees transitioned to part-time work during the fiscal year; however, employee and employer contributions were not withheld from their paychecks after this transition in accordance with State statute. This resulted in a shortage of \$297 in employee contributions and \$446 in employer contributions.
- For two employees, an error was made in the calculation of retirement wages, resulting in an overage of \$29 in employee contributions and \$44 in employer contributions.

Neb. Rev. Stat. § 23-2307 (Reissue 2022) states, in relevant part, the following:

Each employee who is a member of the retirement system shall pay to the county or have picked up by the county a sum equal to four and one-half percent of his or her compensation for each pay period.

Neb. Rev. Stat. § 23-2308(2) (Reissue 2022) states the following:

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

Neb. Rev. Stat. § 23-2332.01 (Reissue 2022) states, in relevant part, the following:

Any county with a population of eighty-five thousand inhabitants or less which participates in the Retirement System for Nebraska Counties established by the County Employees Retirement Act shall establish and fund a supplemental retirement plan for the benefit of all present and future commissioned law enforcement personnel employed by such county who possess a valid law enforcement officer certificate or diploma, as established by the Nebraska Police Standards Advisory Council. The auxiliary benefit plan shall be funded by additional contributions to the county employees retirement plan in excess of the amounts established by sections 23-2307 and 23-2308. The additional contributions made by employees shall be credited to the employee account, and contributions paid by the county shall be credited to the employer account, with each amount to be established at a rate of one percent of compensation.

Neb. Rev. Stat. § 23-2306(2) (Reissue 2022) states, in relevant part, the following:

An employee who exercises the option to begin participation in the retirement system shall remain in the system until termination or retirement, regardless of any change of status as a permanent or temporary employee.

Tax Withholding Issues

For eight employees tested, we noted the Federal and State tax withholdings were not withheld at the rate specified on the W-4, as follows:

- Five employees tested had an updated W-4 Form on file; however, the payroll system calculated withholdings as if no new W-4 were on file. This caused an excess of Federal taxes to be withheld for one bi-weekly paycheck, totaling \$320, and a shortage of State taxes to be withheld, totaling \$36.
- For two employees tested, the withholdings did not agree to the W-4 forms on file.
 - One employee was withheld at the married rate; however, the employee had elected withholdings at the single rate. This caused a shortage of Federal and State taxes for one premium pay paycheck, totaling \$227 and \$23, respectively.
 - One employee was withheld at the single rate, with additional Federal tax of \$30 and State tax of \$20; however, the employee had elected the married rate, with additional Federal tax of \$20. This caused an excess of Federal and State taxes for one premium pay paycheck, totaling \$272 and \$28, respectively.
- For one employee tested, a W-4 was not on file for the premium pay paycheck tested.

Pay Rate Approval Issues

During our testing, we noted the following issues with pay rates:

- The salary resolution approved by the County Board for the 2023-2026 term allowed for a variable salary for three elected officials.
- For two County Sheriff employees tested, the County had a spreadsheet containing the hourly rates of all Sheriff employees; however, no documentation was on file to support this spreadsheet was provided or approved by the County Sheriff.

Neb. Rev. Stat. § 23-1114(1) (Reissue 2022) states, in relevant part: “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.”

Good internal control and sound business practices require procedures to ensure 1) retirement withholdings are appropriately calculated and withheld in accordance with State statute; 2) tax withholdings are appropriately calculated, supported, and agree to Internal Revenue Service (IRS) Forms on file; 3) pay rates for elected officials are set in accordance with State statute; and 4) pay rates for employees are set by the supervising official or department head, and such approval is documented.

Without such procedures, there is an increased risk that employees’ paychecks, including retirement and tax deductions, will not be accurate.

We recommend the County Board implement procedures to ensure: 1) retirement withholdings are appropriately calculated and withheld in accordance with State statute; 2) tax withholdings are appropriately calculated, supported, and agree to IRS Forms on file; 3) pay rates for elected officials are set in accordance with State statute; and 4) pay rates for employees are set by the supervising official or department head, and such approval is documented.

Expenditures in Excess of Budget

For the fiscal year ended June 30, 2023, the disbursements in the District Court - Bailiff Fund and the Juvenile Services Aid Grant Fund exceeded the adopted budget by \$6,761 and \$30,172, respectively. The over-expenditures in both funds were caused by the failure to record transfers, as noted in the “Financial Variances and Transfers Not Recorded” comment below.

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.

A similar finding was noted in the prior audit.

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

Duplicate Claims

During the audit, we tested seven duplicate payments, totaling \$3,413, made by the County during the fiscal year ended June 30, 2023. Details of these duplicate payments are noted below.

Payee	Duplicate Amount	Original Claim		Duplicate Claim	
		Date	Claim #	Date	Claim #
Siemens Industry Inc.	\$ 1,251	12/16/2022	22120304	12/30/2022	22120444
Soarin Group LLC	\$ 737	10/7/2022	22100063	11/18/2022	22110196
Mallory Safety & Supply	\$ 416	9/9/2023	22090063	9/23/2022	22090142
Yankee Hill Vet.	\$ 408	12/16/2022	22120316	12/30/2022	22120462
Lynn Peavey Company	\$ 268	8/26/2022	22080142	9/23/2022	22090140
Helena Agri-Enterprises	\$ 225	9/9/2022	22090014	9/23/2022	22090133
Eakes Office Plus	\$ 108	7/29/2022	22070292	8/26/2022	22080199
Total	\$ 3,413				

At the time of the audit, the County was unaware that these items were duplicate payments; therefore, no information was available regarding the refund of these overpayments.

Good internal controls and sound business practices require procedures to ensure that a detailed review of all claims is performed prior to payment to identify and prevent duplicate payments.

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

We recommend the County Board implement procedures for reviewing all claims prior to approval to ensure they are not duplicate payments. We further recommend the County review the duplicate payments noted to ensure the appropriate refunds have been received.

Bidding Procedures

In March 2023, the County purchased a MAU condenser unit from Xtreme Heating & Cooling for \$110,304 for the Law Enforcement Center; however, this project was awarded to MMC Contractors per the County Board minutes. No information regarding the change or re-bidding the project was noted in the Board minutes.

Neb. Rev. Stat. § 23-3108 (Reissue 2022) states the following, in relevant part:

(1) Except as provided in section 23-3109, purchases of personal property or services by the county board or purchasing agent shall be made:

(a) Through the competitive sealed bidding process prescribed in section 23-3111 if the estimated value of the purchase is fifty thousand dollars or more;

* * * *

(3) All contracts and leases shall be approved as to form by the county attorney, and a copy of each long-term contract or lease shall be filed with the county clerk.

Neb. Rev. Stat. § 84-1413 (Cum. Supp. 2022) states the following, in relevant part:

(1) Each public body shall keep minutes of all meetings showing the time, place, members present and absent, and the substance of all matters discussed.

(2) Any action taken on any question or motion duly moved and seconded shall be by roll call vote of the public body in open session, and the record shall state how each member voted or if the member was absent or not voting. The requirements of a roll call or viva voce vote shall be satisfied by a public body which utilizes an electronic voting device which allows the yeas and nays of each member of such public body to be readily seen by the public.

Good internal controls and sound business practice require procedures to ensure compliance with statutory bidding requirements. Those same procedures should ensure also that all decisions regarding the award or termination of any bids are properly recorded in the Board’s meeting minutes.

Without such procedures, there is 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 compliance with statutory bidding requirements. Those same procedures should ensure also that all decisions regarding the award or termination of any bids are properly recorded in the Board’s meeting minutes.

COUNTY CLERK

Financial Variances and Transfers Not Recorded

During the audit, it was noted the County Clerk’s claim expenditure report did not agree to the County Treasurer’s expenditures, with a majority of the variance appearing to be related to the transfer of payroll to a new system and errors in learning that system. During the fiscal year, we noted variances for the following funds:

- General Fund – the County Clerk’s claim expenditure report contained fewer disbursements than the total recorded by County Treasurer by \$38,655.
- Road Fund – the County Clerk’s claim expenditure report contained more disbursements than the total recorded by the County Treasurer by \$97.

- District Court - Bailiff Fund – the County Clerk’s claim expenditure report contained more disbursements than the total recorded by the County Treasurer by \$662.
- Child Support Enforcement Fund – the County Clerk’s claim expenditure report contained more disbursements than the total recorded by the County Treasurer by \$1,470.
- Grant Fund – the County Clerk’s claim expenditure report contained more disbursements than the total recorded by the County Treasurer paid by \$1,021.

In addition, transfers out, totaling \$3,093,266, were not appropriately shown 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 the County Clerk’s accounting records reflect accurately the expenditures and transfers of the County. A good internal control plan also requires the records to be reconciled to the County Treasurer’s accounting records, and any discrepancies 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.

A similar finding was noted in the prior audit.

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 being 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 a shortage in the account of \$23,206 as of June 30, 2023. This variance was related to adjustments made to the account in May and June 2023; however, due to the lack of reconciliation, no corrective action had been taken by the County Clerk to resolve the balance.

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.

A similar finding was noted in the prior audit.

We recommend the County Clerk implement procedures for timely, complete, and accurate bank reconciliations being performed at least monthly, and any variances noted being resolved in a timely manner.

* * * * *

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

Draft copies of this report were furnished to the County to provide management with an opportunity to review the report and to respond to the comments and recommendations included in this report. All formal responses received have been incorporated into this report. Responses that indicate corrective action has been taken were not verified at this time, but they will be verified in the next audit.

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

Sincerely,

A handwritten signature in cursive script that reads "Rachel Wittler".

Rachel Wittler, CPA, CFE
Audit Manager