

**AUDIT REPORT
OF
DAWSON COUNTY**

JULY 1, 2013 THROUGH JUNE 30, 2014

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Issued on March 19, 2015

DAWSON COUNTY

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DAWSON COUNTY

LIST OF COUNTY OFFICIALS

At June 30, 2014

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Dennis Rickertsen	Board of Commissioners	Jan. 2015
Bill Stewart		Jan. 2015
P J Jacobson		Jan. 2017
Everett Hagan		Jan. 2017
Dean Kugler		Jan. 2017
John Moore	Assessor	Jan. 2015
Elizabeth Waterman	Attorney	Jan. 2015
Karla Zlatkovsky	Clerk Election Commissioner	Jan. 2015
Ruth Meyer	Register of Deeds	Jan. 2015
Sherry Warner	Clerk of the District Court	Jan. 2015
Gary Reiber	Sheriff	Jan. 2015
Mark Streit	Surveyor	Jan. 2015
Sharon Wood	Treasurer	Jan. 2015
Earl Linn	Veterans' Service Officer	Appointed
Marty Craig	Weed Superintendent	Appointed
Jon Mooberry	Highway Superintendent	Appointed
Pam Holbrook	Planning / Zoning	Appointed



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DAWSON COUNTY

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Dawson County, Nebraska

Report on the Financial Statements

We have audited the accompanying cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Dawson County, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the 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 aggregate remaining fund information of Dawson County as of June 30, 2014, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

Report on Supplementary Information

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

The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, Pages 19 - 39, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2015, on our consideration of Dawson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and considering Dawson County's internal control over financial reporting and compliance.



Deann Haeffner, CPA
Assistant Deputy Auditor
Lincoln, Nebraska

March 9, 2015

DAWSON COUNTY
STATEMENT OF NET POSITION - CASH BASIS
 June 30, 2014

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 10,814,933
TOTAL ASSETS	<u><u>\$ 10,814,933</u></u>
NET POSITION	
Restricted for:	
Visitor Promotion	\$ 218,256
911 Emergency Services	264,088
Drug Education	22,330
Law Enforcement	34,819
Preservation of Records	20,136
Debt Service	166,360
Unrestricted	10,088,944
TOTAL NET POSITION	<u><u>\$ 10,814,933</u></u>

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

DAWSON COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2014

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	\$ (5,953,669)	\$ 743,111	\$ 352,744	\$ (4,857,814)
Public Safety	(4,659,659)	147,661	157,541	(4,354,457)
Public Works	(3,705,632)	98,531	2,520,573	(1,086,528)
Health and Sanitation	(140,215)	-	-	(140,215)
Public Assistance	(102,684)	-	19,204	(83,480)
Culture and Recreation	(230,996)	-	-	(230,996)
Debt Payments	(564,990)	-	-	(564,990)
Total Governmental Activities	<u><u>\$ (15,357,845)</u></u>	<u><u>\$ 989,303</u></u>	<u><u>\$ 3,050,062</u></u>	<u><u>(11,318,480)</u></u>

General Receipts:

Property Taxes	10,646,240
Grants and Contributions Not Restricted to Specific Programs	1,714,287
Investment Income	32,556
Licenses and Permits	84,735
Insurance Reimbursements	374,170
Miscellaneous	279,120
Total General Receipts	<u><u>13,131,108</u></u>
 Increase in Net Position	 1,812,628
Net Position - Beginning of year	9,002,305
Net Position - End of year	<u><u>\$ 10,814,933</u></u>

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

DAWSON COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2014

	<u>General Fund</u>	<u>Road Fund</u>	<u>Inheritance Fund</u>	<u>Insurance Fund</u>	<u>Sinking Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash and Cash Equivalents (Note 1.D)	\$ 2,943,620	\$ 83,273	\$ 2,363,975	\$ 2,321,566	\$ 1,500,000	\$ 1,602,499	\$ 10,814,933
TOTAL ASSETS	<u>\$ 2,943,620</u>	<u>\$ 83,273</u>	<u>\$ 2,363,975</u>	<u>\$ 2,321,566</u>	<u>\$ 1,500,000</u>	<u>\$ 1,602,499</u>	<u>\$ 10,814,933</u>
FUND BALANCES							
Restricted for:							
Visitor Promotion	-	-	-	-	-	218,256	218,256
911 Emergency Services	-	-	-	-	-	264,088	264,088
Drug Education	-	-	-	-	-	22,330	22,330
Law Enforcement	-	-	-	-	-	34,819	34,819
Preservation of Records	-	-	-	-	-	20,136	20,136
Debt Service	-	-	-	-	-	166,360	166,360
Committed to:							
Law Enforcement	-	-	-	-	-	28,725	28,725
Road Projects	-	83,273	-	-	-	-	83,273
Employee Recognition	-	-	-	-	-	7,835	7,835
Aid and Assistance	-	-	-	-	-	149,774	149,774
County Buildings	-	-	-	-	-	189,390	189,390
Insurance Costs	-	-	-	2,321,566	-	-	2,321,566
Unemployment Benefits	-	-	-	-	-	63,894	63,894
Miscellaneous Projects	-	-	-	-	1,500,000	97,172	1,597,172
Watershed Management	-	-	-	-	-	330,562	330,562
Noxious Weed	-	-	-	-	-	8,580	8,580
Historical Society	-	-	-	-	-	578	578
Assigned to:							
Other Purposes	-	-	2,363,975	-	-	-	2,363,975
Unassigned	2,943,620	-	-	-	-	-	2,943,620
TOTAL CASH BASIS FUND BALANCES	<u>\$ 2,943,620</u>	<u>\$ 83,273</u>	<u>\$ 2,363,975</u>	<u>\$ 2,321,566</u>	<u>\$ 1,500,000</u>	<u>\$ 1,602,499</u>	<u>\$ 10,814,933</u>

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

DAWSON COUNTY
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	General Fund	Road Fund	Inheritance Fund	Insurance Fund	Sinking Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS							
Property Taxes	\$9,283,209	\$ -	\$ 831,298	\$ -	\$ -	\$ 531,733	\$ 10,646,240
Licenses and Permits	84,735	-	-	-	-	-	84,735
Interest	22,542	-	-	7,094	-	2,920	32,556
Intergovernmental	1,715,031	2,520,573	-	-	-	528,745	4,764,349
Charges for Services	775,470	-	-	-	-	213,833	989,303
Miscellaneous	24,256	26,063	-	374,170	-	228,801	653,290
TOTAL RECEIPTS	11,905,243	2,546,636	831,298	381,264	-	1,506,032	17,170,473
DISBURSEMENTS							
General Government	4,427,274	-	98,221	1,282,016	-	146,158	5,953,669
Public Safety	3,738,920	-	-	-	-	920,739	4,659,659
Public Works	131,250	3,358,416	-	-	-	215,966	3,705,632
Health and Sanitation	140,215	-	-	-	-	-	140,215
Public Assistance	85,897	-	-	-	-	16,787	102,684
Culture and Recreation	-	-	-	-	-	230,996	230,996
Debt Service:							
Principal Payments	-	559,995	-	-	-	-	559,995
Interest and Fiscal Charges	-	4,995	-	-	-	-	4,995
TOTAL DISBURSEMENTS	8,523,556	3,923,406	98,221	1,282,016	-	1,530,646	15,357,845
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	3,381,687	(1,376,770)	733,077	(900,752)	-	(24,614)	1,812,628
OTHER FINANCING SOURCES (USES)							
Transfers in	71	980,302	110,500	1,540,923	-	624,318	3,256,114
Transfers out	(2,713,779)	-	(102,000)	-	-	(440,335)	(3,256,114)
TOTAL OTHER FINANCING SOURCES (USES)	(2,713,708)	980,302	8,500	1,540,923	-	183,983	-
Net Change in Fund Balances	667,979	(396,468)	741,577	640,171	-	159,369	1,812,628
CASH BASIS FUND BALANCES - BEGINNING							
	2,275,641	479,741	1,622,398	1,681,395	1,500,000	1,443,130	9,002,305
CASH BASIS FUND BALANCES - ENDING							
	\$2,943,620	\$ 83,273	\$ 2,363,975	\$ 2,321,566	\$1,500,000	\$ 1,602,499	\$ 10,814,933

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

DAWSON COUNTY
STATEMENT OF FIDUCIARY ASSETS AND
LIABILITIES - CASH BASIS
FIDUCIARY FUNDS
 June 30, 2014

	Agency Funds
ASSETS	
Cash and Cash Equivalents	\$ 1,295,720
 LIABILITIES	
Due to other governments	
State	379,455
Schools	485,375
Educational Service Units	4,115
Technical College	30,712
Natural Resource Districts	11,497
Cemetery Districts	188
Fire Districts	2,189
Municipalities	71,638
Agricultural Society	2,611
Drainage Districts	5,073
Railroad Transportation Districts	117,514
Sanitary and Improvement Districts	19,223
Hospital Districts	3,320
Airport Authorities	8,230
Others	154,580
TOTAL LIABILITIES	1,295,720
 TOTAL NET ASSETS	 \$ -

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

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2014

1. **Summary of Significant Accounting Policies**

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

A. Reporting Entity

Dawson 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.

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 II – 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 II (Region) consists of the following counties: Grant, Hooker, Thomas, Arthur, McPherson, Logan, Keith, Lincoln, Perkins, Chase, Hayes, Frontier, Dawson, Gosper, Dundy, Hitchcock, and Red Willow.

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 \$115,558 toward the operation of the Region during fiscal year 2014. 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.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

Health Department – The County has entered into an agreement with Two Rivers Health Department (Department) to provide public health services. The agreement was established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636 (Reissue 2009, Cum. Supp. 2014).

The Department’s governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not contribute toward the operation of the Department during fiscal year 2014. 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) (Reissue 2014). Financial information for the Department is available in that report.

B. Basis of Presentation

Government-Wide Financial Statements. The Statement of Net Position - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County and are in the format of government-wide statements, as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities. 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 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: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

Fund Financial Statements. The fund financial statements provide information about the County’s funds, including its fiduciary funds. GAAP requires separate statements by fund category – governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The County Board is the highest level of

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

decision-making authority and has the authority, by resolution, to establish, modify or rescind the commitment or assignment of a fund balance to a specific purpose. When resources for a specific purpose are available in more than one fund balance classification, the County's policy is to use resources in the following order: restricted, committed, assigned, and unassigned. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

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

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

Insurance Fund. This fund is used to account for employee insurance premiums, health insurance reimbursements, and expenditures for health insurance claims.

Sinking Fund. This fund is used to account for transfers from other funds, which will be used for special projects.

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.

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

Debt Service Fund. The Courthouse Remodeling Bond Fund accounts for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County designates fund balances as:

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

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

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

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

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

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

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.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets and Net Position

Cash and Cash Equivalents. The County's cash and cash equivalents are considered to be cash on hand 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 2009) and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities, which are authorized by the Nebraska Investment Council.

Capital Assets. Under the cash receipts and disbursements basis of accounting, capital assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as disbursements in governmental funds. GAAP requires capital assets, which would include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), to be reported in the applicable governmental activities columns in the government-wide financial statements.

Depreciation expenses on capital assets were not recorded on the cash basis financial statements. Under GAAP, depreciation expenses would be recorded in the Statement of Activities. The cost of normal maintenance and repairs that does not add to the value of the asset or extend asset life is not capitalized.

Compensated Absences. Vested or accumulated vacation leave that is liquidated with expendable available financial resources is reported as a disbursement of the County funds as paid. Upon termination, employees are paid for any unused vacation. Under the receipts and disbursements basis of accounting, the liabilities for compensated absences are not reported since they do not represent liabilities arising from cash transactions. Under GAAP, the compensated absences liability would be reported in the government-wide financial statements and would be recorded in accordance with the County's policy, which is to recognize the expense and accrued liability when vacation and compensatory leave is earned.

Restricted Net Position. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net position is reported as restricted when constraints placed on its use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$725,989 of restricted net position, of which \$524,810 is restricted by enabling legislation.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

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

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 2009).

At year end, the County's carrying amount of deposits was \$10,814,933 for County funds and \$1,295,720 for Fiduciary funds. The bank balances for all funds totaled \$11,907,469. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2014, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

3. **Property Taxes**

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

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Property Taxes** (Concluded)

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 2013, for the 2013 taxes, which were materially collected in May and September 2014, was set at \$.393076/\$100 of assessed valuation. The levy set in October 2012, for the 2012 taxes, which were materially collected in May and September 2013, was set at \$.410048/\$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 2012, Cum. Supp. 2014) 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. Prior service benefits are paid directly by the County to the retired employee.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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, 2014, 186 employees contributed \$291,693, and the County contributed \$429,637. Contributions included \$15,801 in cash contributions towards the supplemental law enforcement plan for 34 law enforcement employees. Lastly, the County paid \$186 directly to two retired employees for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 79 counties 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 by the Board for an additional contribution equal to its contribution for the current fiscal year, divided by the contribution of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, is sent to each county in writing, and each county has 60 days in which to pay the amount of such assessment. Each county remains liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the pool incurred during such 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.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS
(Concluded)

5. Risk Management (Concluded)

	NIRMA Coverage	Maximum Coverage
General Liability Claim	\$ 300,000	\$ 5,000,000
Workers' Compensation Claim	\$ 500,000	Statutory Limits
Property Damage Claim	\$ 250,000	Insured Value at Replacement Cost

The County has not paid any additional assessments to the pool in the last three fiscal years, and no assessments are anticipated for fiscal year 2015. The County has not had to pay out any amounts that exceeded coverage provided by the pool in the last three fiscal years.

6. Interfund Transfers

Interfund transfers for the year ended June 30, 2014, consisted of the following:

Transfers to	Transfers from			Total
	General Fund	Inheritance Fund	Nonmajor Funds	
Road Fund	\$ 980,302	\$ -	\$ -	\$ 980,302
Inheritance Fund	-	-	110,500	110,500
General Fund	-	-	71	71
Insurance Fund	1,398,477	-	142,446	1,540,923
Nonmajor Funds	335,000	102,000	187,318	624,318
Total	\$ 2,713,779	\$ 102,000	\$ 440,335	\$ 3,256,114

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

In the year ended June 30, 2014, the County made a one-time transfer of \$71 from the Jail Obligation Bond Fund to the General Fund to close the Jail Obligation Bond Fund.

7. Contingent Liabilities

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

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 9,967,118	\$ 9,967,118	\$ 9,283,209	\$ (683,909)
Licenses and Permits	95,305	95,305	84,735	(10,570)
Interest	31,600	31,600	22,542	(9,058)
Intergovernmental	1,748,760	1,748,760	1,715,031	(33,729)
Charges for Services	746,850	746,850	775,470	28,620
Miscellaneous	30,000	30,000	24,256	(5,744)
TOTAL RECEIPTS	12,619,633	12,619,633	11,905,243	(714,390)
DISBURSEMENTS				
General Government:				
County Board	88,500	88,500	87,857	643
County Clerk	141,890	141,890	135,185	6,705
County Treasurer	280,385	280,385	275,150	5,235
Register of Deeds	121,300	121,300	96,093	25,207
County Assessor	470,792	470,792	462,374	8,418
Election Commissioner	70,850	70,850	55,185	15,665
Building and Zoning	17,500	17,500	11,631	5,869
Clerk of the District Court	280,724	280,724	244,989	35,735
County Court System	203,200	209,419	209,419	-
District Judge	144,765	144,765	106,792	37,973
Public Defender	214,700	291,574	291,574	-
Building and Grounds	1,008,400	1,008,400	396,442	611,958
Reappraisal	50,000	50,000	-	50,000
Agricultural Extension Agent	147,800	147,800	137,864	9,936
Child Support	207,147	226,168	226,168	-
County Grants	100,000	100,000	-	100,000
Miscellaneous	3,470,500	3,217,154	1,690,551	1,526,603
Public Safety				
County Sheriff	3,011,609	3,142,619	3,142,619	-
County Attorney	474,390	474,390	419,644	54,746
Emergency Management	112,650	112,650	109,977	2,673
COPS	263	263	-	263
Child Support Attorney	-	4,052	4,052	-
Sheriff Grants	111,000	111,000	25,397	85,603
Miscellaneous	76,000	76,000	37,231	38,769

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DISBURSEMENTS (Continued)				
Public Works				
County Surveyor	186,250	186,250	131,250	55,000
Public Health				
State Institutions	140,500	140,500	140,215	285
Public Assistance				
Veterans' Service Officer	55,044	55,044	53,958	1,086
Transit Handi-Bus	10,000	26,170	26,170	-
Relief	100,000	100,000	5,769	94,231
TOTAL DISBURSEMENTS	<u>11,296,159</u>	<u>11,296,159</u>	<u>8,523,556</u>	<u>2,772,603</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>1,323,474</u>	<u>1,323,474</u>	<u>3,381,687</u>	<u>2,058,213</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	570,366	570,366	71	(570,295)
Transfers out	(3,249,481)	(3,249,481)	(2,713,779)	535,702
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,679,115)</u>	<u>(2,679,115)</u>	<u>(2,713,708)</u>	<u>(34,593)</u>
Net Change in Fund Balance	(1,355,641)	(1,355,641)	667,979	2,023,620
FUND BALANCE - BEGINNING	<u>2,275,641</u>	<u>2,275,641</u>	<u>2,275,641</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 920,000</u>	<u>\$ 920,000</u>	<u>\$ 2,943,620</u>	<u>\$ 2,023,620</u>

(Concluded)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Intergovernmental	\$ 2,205,500	\$ 2,205,500	\$ 2,520,573	\$ 315,073
Miscellaneous	50,000	50,000	26,063	(23,937)
TOTAL RECEIPTS	2,255,500	2,255,500	2,546,636	291,136
DISBURSEMENTS	5,364,450	5,364,450	3,923,406	1,441,044
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(3,108,950)	(3,108,950)	(1,376,770)	1,732,180
OTHER FINANCING SOURCES (USES)				
Transfers in	3,129,209	3,129,209	980,302	(2,148,907)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	3,129,209	3,129,209	980,302	(2,148,907)
Net Change in Fund Balance	20,259	20,259	(396,468)	(416,727)
FUND BALANCE - BEGINNING	479,741	479,741	479,741	-
FUND BALANCE - ENDING	\$ 500,000	\$ 500,000	\$ 83,273	\$ (416,727)
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 780,102	\$ 780,102	\$ 831,298	\$ 51,196
TOTAL RECEIPTS	780,102	780,102	831,298	51,196
DISBURSEMENTS	1,721,582	1,721,582	98,221	1,623,361
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(941,480)	(941,480)	733,077	1,674,557
OTHER FINANCING SOURCES (USES)				
Transfers in	159,500	159,500	110,500	(49,000)
Transfers out	(840,418)	(840,418)	(102,000)	738,418
TOTAL OTHER FINANCING SOURCES (USES)	(680,918)	(680,918)	8,500	689,418
Net Change in Fund Balance	(1,622,398)	(1,622,398)	741,577	2,363,975
FUND BALANCE - BEGINNING	1,622,398	1,622,398	1,622,398	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 2,363,975	\$ 2,363,975

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
INSURANCE FUND				
RECEIPTS				
Interest	\$ -	\$ -	\$ 7,094	\$ 7,094
Miscellaneous	118,605	118,605	374,170	255,565
TOTAL RECEIPTS	<u>118,605</u>	<u>118,605</u>	<u>381,264</u>	<u>262,659</u>
DISBURSEMENTS	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,282,016</u>	<u>517,984</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,681,395)</u>	<u>(1,681,395)</u>	<u>(900,752)</u>	<u>780,643</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,540,923	1,540,923
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>1,540,923</u>	<u>1,540,923</u>
Net Change in Fund Balance	(1,681,395)	(1,681,395)	640,171	2,321,566
FUND BALANCE - BEGINNING	1,681,395	1,681,395	1,681,395	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,321,566</u>	<u>\$ 2,321,566</u>
SINKING FUND				
RECEIPTS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>	<u>1,500,000</u>
Net Change in Fund Balance	(1,500,000)	(1,500,000)	-	1,500,000
FUND BALANCE - BEGINNING	1,500,000	1,500,000	1,500,000	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

(Concluded)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
FEDERAL AID ROAD FUND				
Receipts	\$ 213,943	\$ 213,943	\$ -	\$ (213,943)
Disbursements	(213,943)	(213,943)	-	213,943
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
VISITOR'S PROMOTION FUND				
Receipts	\$ 28,072	\$ 28,072	\$ 108,937	\$ 80,865
Disbursements	(135,970)	(135,970)	(116,953)	19,017
Net Change in Fund Balance	(107,898)	(107,898)	(8,016)	99,882
Fund Balance - Beginning	107,898	107,898	107,898	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,882</u>	<u>\$ 99,882</u>
VISITOR'S IMPROVEMENT FUND				
Receipts	\$ 76,969	\$ 76,969	\$ 108,936	\$ 31,967
Disbursements	(157,275)	(157,275)	(70,868)	86,407
Net Change in Fund Balance	(80,306)	(80,306)	38,068	118,374
Fund Balance - Beginning	80,306	80,306	80,306	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,374</u>	<u>\$ 118,374</u>
REGISTER DEED PRESERVATION FUND				
Receipts	\$ 17,962	\$ 17,962	\$ 14,578	\$ (3,384)
Disbursements	(25,000)	(25,000)	(1,480)	23,520
Net Change in Fund Balance	(7,038)	(7,038)	13,098	20,136
Fund Balance - Beginning	7,038	7,038	7,038	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,136</u>	<u>\$ 20,136</u>
UNEMPLOYMENT COMPENSATION FUND				
Receipts	\$ 10,990	\$ 10,990	\$ 10,238	\$ (752)
Disbursements	(55,000)	(55,000)	(354)	54,646
Net Change in Fund Balance	(44,010)	(44,010)	9,884	53,894
Fund Balance - Beginning	54,010	54,010	54,010	-
Fund Balance - Ending	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 63,894</u>	<u>\$ 53,894</u>

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>PARENT CHILD CENTER FUND</u>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(15,000)	(15,000)	(15,000)	-
Transfers in	15,000	15,000	15,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>INSTITUTIONS FUND</u>				
Receipts	\$ -	\$ -	\$ 51,060	\$ 51,060
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(60,001)	(60,001)	-	60,001
Net Change in Fund Balance	(60,001)	(60,001)	51,060	111,061
Fund Balance - Beginning	60,001	60,001	60,001	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,061</u>	<u>\$ 111,061</u>
<u>VETERAN'S AID FUND</u>				
Receipts	\$ 2,508	\$ 2,508	\$ 2,631	\$ 123
Disbursements	(3,500)	(3,500)	(1,787)	1,713
Net Change in Fund Balance	(992)	(992)	844	1,836
Fund Balance - Beginning	992	992	992	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,836</u>	<u>\$ 1,836</u>
<u>VETERAN'S MONEY MARKET FUND</u>				
Receipts	\$ 69	\$ 69	\$ 2	\$ (67)
Disbursements	(20,100)	(20,100)	-	20,100
Net Change in Fund Balance	(20,031)	(20,031)	2	20,033
Fund Balance - Beginning	20,031	20,031	20,031	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,033</u>	<u>\$ 20,033</u>

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CASA FUND				
Receipts	\$ 42,895	\$ 42,895	\$ 37,537	\$ (5,358)
Disbursements	(69,053)	(69,053)	(55,246)	13,807
Transfers in	19,025	19,025	24,397	5,372
Transfers out	(1,048)	(1,048)	(14,765)	(13,717)
Net Change in Fund Balance	(8,181)	(8,181)	(8,077)	104
Fund Balance - Beginning	8,181	8,181	8,181	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104</u>	<u>\$ 104</u>
STOP FUND				
Receipts	\$ 20,877	\$ 20,877	\$ 4,500	\$ (16,377)
Disbursements	(25,000)	(25,000)	-	25,000
Net Change in Fund Balance	(4,123)	(4,123)	4,500	8,623
Fund Balance - Beginning	4,123	4,123	4,123	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,623</u>	<u>\$ 8,623</u>
COUNTY DRUG FUND				
Receipts	\$ 6,231	\$ 6,231	\$ 3,561	\$ (2,670)
Disbursements	(25,000)	(25,000)	-	25,000
Net Change in Fund Balance	(18,769)	(18,769)	3,561	22,330
Fund Balance - Beginning	18,769	18,769	18,769	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,330</u>	<u>\$ 22,330</u>
MIDWEST NEBRASKA DRUG COURT FUND				
Receipts	\$ 9,671	\$ 9,671	\$ 15,234	\$ 5,563
Disbursements	(24,400)	(24,400)	(14,494)	9,906
Net Change in Fund Balance	(14,729)	(14,729)	740	15,469
Fund Balance - Beginning	14,729	14,729	14,729	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,469</u>	<u>\$ 15,469</u>
FEDERAL DRUG FORFEITURE FUND				
Receipts	\$ 516	\$ 516	\$ -	\$ (516)
Disbursements	(1,000)	(1,000)	-	1,000
Net Change in Fund Balance	(484)	(484)	-	484
Fund Balance - Beginning	484	484	484	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 484</u>	<u>\$ 484</u>

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
K-9 DOG FUND				
Receipts	\$ 10,154	\$ 10,154	\$ 1,275	\$ (8,879)
Disbursements	(15,000)	(15,000)	(3,560)	11,440
Net Change in Fund Balance	(4,846)	(4,846)	(2,285)	2,561
Fund Balance - Beginning	4,846	4,846	4,846	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,561</u>	<u>\$ 2,561</u>
SCAAP FUND				
Receipts	\$ 1,594	\$ 1,594	\$ -	\$ (1,594)
Disbursements	(29,000)	(29,000)	(2,538)	26,462
Net Change in Fund Balance	(27,406)	(27,406)	(2,538)	24,868
Fund Balance - Beginning	27,406	27,406	27,406	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,868</u>	<u>\$ 24,868</u>
CASA GRANT FUND				
Receipts	\$ 6,952	\$ 6,952	\$ 3,720	\$ (3,232)
Disbursements	(8,000)	(8,000)	(795)	7,205
Transfers in	1,048	1,048	1,048	-
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	3,973	3,973
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,973</u>	<u>\$ 3,973</u>
COUNTY GRANT FUND				
Receipts	\$ 317,446	\$ 317,446	\$ 194,356	\$ (123,090)
Disbursements	(350,000)	(350,000)	(212,756)	137,244
Transfers in	150,000	150,000	105,110	(44,890)
Transfers out	(150,000)	(150,000)	(109,797)	40,203
Net Change in Fund Balance	(32,554)	(32,554)	(23,087)	9,467
Fund Balance - Beginning	32,554	32,554	32,554	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,467</u>	<u>\$ 9,467</u>

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
VICTIM WITNESS FUND				
Receipts	\$ 36,001	\$ 36,001	\$ 36,000	\$ (1)
Disbursements	(64,765)	(64,765)	(46,390)	18,375
Transfers in	18,400	18,400	23,400	5,000
Transfers out	(9,500)	(9,500)	(20,107)	(10,607)
Net Change in Fund Balance	(19,864)	(19,864)	(7,097)	12,767
Fund Balance - Beginning	19,864	19,864	19,864	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,767</u>	<u>\$ 12,767</u>
EMPLOYEE RECOGNITION FUND				
Receipts	\$ 8,640	\$ 8,640	\$ 4,829	\$ (3,811)
Disbursements	(15,000)	(15,000)	(3,354)	11,646
Net Change in Fund Balance	(6,360)	(6,360)	1,475	7,835
Fund Balance - Beginning	6,360	6,360	6,360	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,835</u>	<u>\$ 7,835</u>
LOTTERY FUND				
Receipts	\$ 139,539	\$ 139,539	\$ 132,441	\$ (7,098)
Disbursements	(45,000)	(45,000)	(21,230)	23,770
Transfers in	-	-	-	-
Transfers out	(155,000)	(155,000)	(74,500)	80,500
Net Change in Fund Balance	(60,461)	(60,461)	36,711	97,172
Fund Balance - Beginning	60,461	60,461	60,461	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,172</u>	<u>\$ 97,172</u>
E-911 FUND				
Receipts	\$ 38,335	\$ 38,335	\$ 66,527	\$ 28,192
Disbursements	(200,418)	(200,418)	(44,590)	155,828
Transfers in	80,000	80,000	26,126	(53,874)
Transfers out	(69,582)	(69,582)	(73,737)	(4,155)
Net Change in Fund Balance	(151,665)	(151,665)	(25,674)	125,991
Fund Balance - Beginning	151,665	151,665	151,665	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,991</u>	<u>\$ 125,991</u>

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
911 ENHANCED WIRELESS SERVICE FUND				
Receipts	\$ 79,381	\$ 79,381	\$ 79,449	\$ 68
Disbursements	(80,000)	(80,000)	-	80,000
Transfers in	-	-	4,155	4,155
Transfers out	(80,000)	(80,000)	(26,126)	53,874
Net Change in Fund Balance	(80,619)	(80,619)	57,478	138,097
Fund Balance - Beginning	80,619	80,619	80,619	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,097</u>	<u>\$ 138,097</u>
RANGE MANAGEMENT FUND				
Receipts	\$ 1,912	\$ 1,912	\$ 1,700	\$ (212)
Disbursements	(3,000)	(3,000)	(1,268)	1,732
Net Change in Fund Balance	(1,088)	(1,088)	432	1,520
Fund Balance - Beginning	1,088	1,088	1,088	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,520</u>	<u>\$ 1,520</u>
DISPATCH FUND				
Receipts	\$ 197,128	\$ 197,128	\$ 210,249	\$ 13,121
Disbursements	(601,083)	(601,083)	(470,480)	130,603
Transfers in	326,522	326,522	304,582	(21,940)
Transfers out	-	-	(121,232)	(121,232)
Net Change in Fund Balance	(77,433)	(77,433)	(76,881)	552
Fund Balance - Beginning	77,433	77,433	77,433	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 552</u>	<u>\$ 552</u>
BUILDING FUND				
Receipts	\$ 36,030	\$ 36,030	\$ 66,115	\$ 30,085
Disbursements	(81,000)	(81,000)	(64,494)	16,506
Transfers in	43,200	43,200	25,500	(17,700)
Transfers out	-	-	-	-
Net Change in Fund Balance	(1,770)	(1,770)	27,121	28,891
Fund Balance - Beginning	1,770	1,770	1,770	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,891</u>	<u>\$ 28,891</u>

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
JAIL OBLIGATION BOND FUND				
Receipts	\$ -	\$ -	\$ 9	\$ 9
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(62)	(62)	(71)	(9)
Net Change in Fund Balance	(62)	(62)	(62)	-
Fund Balance - Beginning	62	62	62	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
COURTHOUSE REMODELING BOND FUND				
Receipts	\$ -	\$ -	\$ 65,432	\$ 65,432
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(100,928)	(100,928)	-	100,928
Net Change in Fund Balance	(100,928)	(100,928)	65,432	166,360
Fund Balance - Beginning	100,928	100,928	100,928	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,360</u>	<u>\$ 166,360</u>
SPRING CREEK WATERSHED FUND				
Receipts	\$ 3,577	\$ 3,577	\$ 19,903	\$ 16,326
Disbursements	(315,000)	(315,000)	(764)	314,236
Net Change in Fund Balance	(311,423)	(311,423)	19,139	330,562
Fund Balance - Beginning	311,423	311,423	311,423	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 330,562</u>	<u>\$ 330,562</u>
NOXIOUS WEED FUND				
Receipts	\$ 107,997	\$ 107,997	\$ 114,379	\$ 6,382
Disbursements	(226,150)	(226,150)	(215,202)	10,948
Transfers in	203,750	203,750	95,000	(108,750)
Transfers out	-	-	-	-
Net Change in Fund Balance	85,597	85,597	(5,823)	(91,420)
Fund Balance - Beginning	14,403	14,403	14,403	-
Fund Balance - Ending	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 8,580</u>	<u>\$ (91,420)</u>

(Continued)

DAWSON COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>INVENTORY MAINTENANCE FUND</u>				
Receipts	\$ 577	\$ 577	\$ 108,944	\$ 108,367
Disbursements	(176,000)	(176,000)	(123,868)	52,132
Net Change in Fund Balance	(175,423)	(175,423)	(14,924)	160,499
Fund Balance - Beginning	175,423	175,423	175,423	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 160,499</u>	<u>\$ 160,499</u>
<u>HISTORICAL SOCIETY FUND</u>				
Receipts	\$ 49,737	\$ 49,737	\$ 43,490	\$ (6,247)
Disbursements	(50,000)	(50,000)	(43,175)	6,825
Net Change in Fund Balance	(263)	(263)	315	578
Fund Balance - Beginning	263	263	263	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 578</u>	<u>\$ 578</u>

(Concluded)

DAWSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	Visitor's Promotion Fund	Visitor's Improvement Fund	Register Deed Preservation Fund	Unemployment Compensation Fund	Parent Child Center Fund
RECEIPTS					
Property Taxes	\$ 108,937	\$ 108,936	\$ -	\$ 9,661	\$ -
Interest	-	-	-	-	-
Intergovernmental	-	-	-	577	-
Charges for Services	-	-	14,578	-	-
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	<u>108,937</u>	<u>108,936</u>	<u>14,578</u>	<u>10,238</u>	<u>-</u>
DISBURSEMENTS					
General Government	-	-	1,480	354	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Public Assistance	-	-	-	-	15,000
Culture and Recreation	116,953	70,868	-	-	-
TOTAL DISBURSEMENTS	<u>116,953</u>	<u>70,868</u>	<u>1,480</u>	<u>354</u>	<u>15,000</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(8,016)</u>	<u>38,068</u>	<u>13,098</u>	<u>9,884</u>	<u>(15,000)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	15,000
Transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
Net Change in Fund Balances	(8,016)	38,068	13,098	9,884	-
FUND BALANCES - BEGINNING	<u>107,898</u>	<u>80,306</u>	<u>7,038</u>	<u>54,010</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 99,882</u>	<u>\$ 118,374</u>	<u>\$ 20,136</u>	<u>\$ 63,894</u>	<u>\$ -</u>
FUND BALANCES:					
Restricted for:					
Visitor Promotion	99,882	118,374	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	20,136	-	-
Debt Service	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Employee Recognition	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
County Buildings	-	-	-	-	-
Unemployment Benefits	-	-	-	63,894	-
Miscellaneous Projects	-	-	-	-	-
Watershed Management	-	-	-	-	-
Noxious Weed	-	-	-	-	-
Historical Society	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 99,882</u>	<u>\$ 118,374</u>	<u>\$ 20,136</u>	<u>\$ 63,894</u>	<u>\$ -</u>

(Continued)

DAWSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	Institutions Fund	Veteran's Aid Fund	Veteran's Money Market Fund	CASA Fund	STOP Fund	County Drug Fund
RECEIPTS						
Property Taxes	\$ 50,413	\$ 2,485	\$ -	\$ -	\$ -	\$ -
Interest	-	-	2	-	-	-
Intergovernmental	647	146	-	2,850	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	34,687	4,500	3,561
TOTAL RECEIPTS	<u>51,060</u>	<u>2,631</u>	<u>2</u>	<u>37,537</u>	<u>4,500</u>	<u>3,561</u>
DISBURSEMENTS						
General Government	-	-	-	55,246	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Public Assistance	-	1,787	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>-</u>	<u>1,787</u>	<u>-</u>	<u>55,246</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>51,060</u>	<u>844</u>	<u>2</u>	<u>(17,709)</u>	<u>4,500</u>	<u>3,561</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	24,397	-	-
Transfers out	-	-	-	(14,765)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,632</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	51,060	844	2	(8,077)	4,500	3,561
FUND BALANCES - BEGINNING	<u>60,001</u>	<u>992</u>	<u>20,031</u>	<u>8,181</u>	<u>4,123</u>	<u>18,769</u>
FUND BALANCES - ENDING	<u>\$ 111,061</u>	<u>\$ 1,836</u>	<u>\$ 20,033</u>	<u>\$ 104</u>	<u>\$ 8,623</u>	<u>\$ 22,330</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	22,330
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	8,623	-
Employee Recognition	-	-	-	-	-	-
Aid and Assistance	111,061	1,836	20,033	104	-	-
County Buildings	-	-	-	-	-	-
Unemployment Benefits	-	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-	-
Watershed Management	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 111,061</u>	<u>\$ 1,836</u>	<u>\$ 20,033</u>	<u>\$ 104</u>	<u>\$ 8,623</u>	<u>\$ 22,330</u>

(Continued)

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

For the Year Ended June 30, 2014

	Midwest Nebraska Drug Court Fund	Federal Drug Forfeiture Fund	K-9 Dog Fund	SCAAP Fund	CASA Grant Fund	County Grant Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	194,356
Charges for Services	-	-	-	-	-	-
Miscellaneous	15,234	-	1,275	-	3,720	-
TOTAL RECEIPTS	<u>15,234</u>	<u>-</u>	<u>1,275</u>	<u>-</u>	<u>3,720</u>	<u>194,356</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	14,494	-	3,560	2,538	795	212,756
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>14,494</u>	<u>-</u>	<u>3,560</u>	<u>2,538</u>	<u>795</u>	<u>212,756</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>740</u>	<u>-</u>	<u>(2,285)</u>	<u>(2,538)</u>	<u>2,925</u>	<u>(18,400)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	1,048	105,110
Transfers out	-	-	-	-	-	(109,797)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,048</u>	<u>(4,687)</u>
Net Change in Fund Balances	740	-	(2,285)	(2,538)	3,973	(23,087)
FUND BALANCES - BEGINNING	<u>14,729</u>	<u>484</u>	<u>4,846</u>	<u>27,406</u>	<u>-</u>	<u>32,554</u>
FUND BALANCES - ENDING	<u>\$ 15,469</u>	<u>\$ 484</u>	<u>\$ 2,561</u>	<u>\$ 24,868</u>	<u>\$ 3,973</u>	<u>\$ 9,467</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	484	-	24,868	-	9,467
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Committed to:						
Law Enforcement	15,469	-	2,561	-	-	-
Employee Recognition	-	-	-	-	3,973	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Unemployment Benefits	-	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-	-
Watershed Management	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 15,469</u>	<u>\$ 484</u>	<u>\$ 2,561</u>	<u>\$ 24,868</u>	<u>\$ 3,973</u>	<u>\$ 9,467</u>

(Continued)

DAWSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	Victim Witness Fund	Employee Recognition Fund	Lottery Fund	E-911 Fund	911 Enhanced Wireless Service Fund	Range Management Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ 66,527	\$ 79,449	\$ -
Interest	-	-	178	-	-	-
Intergovernmental	36,000	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	4,829	132,263	-	-	1,700
TOTAL RECEIPTS	<u>36,000</u>	<u>4,829</u>	<u>132,441</u>	<u>66,527</u>	<u>79,449</u>	<u>1,700</u>
DISBURSEMENTS						
General Government	-	3,354	21,230	-	-	-
Public Safety	46,390	-	-	44,590	-	1,268
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>46,390</u>	<u>3,354</u>	<u>21,230</u>	<u>44,590</u>	<u>-</u>	<u>1,268</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(10,390)</u>	<u>1,475</u>	<u>111,211</u>	<u>21,937</u>	<u>79,449</u>	<u>432</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	23,400	-	-	26,126	4,155	-
Transfers out	(20,107)	-	(74,500)	(73,737)	(26,126)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,293</u>	<u>-</u>	<u>(74,500)</u>	<u>(47,611)</u>	<u>(21,971)</u>	<u>-</u>
Net Change in Fund Balances	(7,097)	1,475	36,711	(25,674)	57,478	432
FUND BALANCES - BEGINNING	<u>19,864</u>	<u>6,360</u>	<u>60,461</u>	<u>151,665</u>	<u>80,619</u>	<u>1,088</u>
FUND BALANCES - ENDING	<u>\$ 12,767</u>	<u>\$ 7,835</u>	<u>\$ 97,172</u>	<u>\$ 125,991</u>	<u>\$ 138,097</u>	<u>\$ 1,520</u>
FUND BALANCES:						
Restricted for:						
Visitor Promotion	-	-	-	-	-	-
911 Emergency Services	-	-	-	125,991	138,097	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	1,520
Employee Recognition	-	7,835	-	-	-	-
Aid and Assistance	12,767	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Unemployment Benefits	-	-	-	-	-	-
Miscellaneous Projects	-	-	97,172	-	-	-
Watershed Management	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 12,767</u>	<u>\$ 7,835</u>	<u>\$ 97,172</u>	<u>\$ 125,991</u>	<u>\$ 138,097</u>	<u>\$ 1,520</u>

(Continued)

DAWSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	Dispatch Fund	Building Fund	Jail Obligation Bond Fund	Courthouse Remodeling Bond Fund	Spring Creek Watershed Fund
RECEIPTS					
Property Taxes	\$ -	\$ -	\$ 9	\$ 64,603	\$ -
Interest	-	-	-	-	2,740
Intergovernmental	210,249	36,032	-	829	-
Charges for Services	-	30,083	-	-	17,163
Miscellaneous	-	-	-	-	-
TOTAL RECEIPTS	210,249	66,115	9	65,432	19,903
DISBURSEMENTS					
General Government	-	64,494	-	-	-
Public Safety	470,480	-	-	-	-
Public Works	-	-	-	-	764
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
TOTAL DISBURSEMENTS	470,480	64,494	-	-	764
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(260,231)	1,621	9	65,432	19,139
OTHER FINANCING SOURCES (USES)					
Transfers in	304,582	25,500	-	-	-
Transfers out	(121,232)	-	(71)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	183,350	25,500	(71)	-	-
Net Change in Fund Balances	(76,881)	27,121	(62)	65,432	19,139
FUND BALANCES - BEGINNING	77,433	1,770	62	100,928	311,423
FUND BALANCES - ENDING	\$ 552	\$ 28,891	\$ -	\$ 166,360	\$ 330,562
FUND BALANCES:					
Restricted for:					
Visitor Promotion	-	-	-	-	-
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Preservation of Records	-	-	-	-	-
Debt Service	-	-	-	166,360	-
Committed to:					
Law Enforcement	552	-	-	-	-
Employee Recognition	-	-	-	-	-
Aid and Assistance	-	-	-	-	-
County Buildings	-	28,891	-	-	-
Unemployment Benefits	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-
Watershed Management	-	-	-	-	330,562
Noxious Weed	-	-	-	-	-
Historical Society	-	-	-	-	-
TOTAL FUND BALANCES	\$ 552	\$ 28,891	\$ -	\$ 166,360	\$ 330,562

(Continued)

DAWSON COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	Noxious Weed Fund	Inventory Maintenance Fund	Historical Society Fund	Total Nonmajor Governmental Funds
RECEIPTS				
Property Taxes	\$ -	\$ -	\$ 40,713	\$ 531,733
Interest	-	-	-	2,920
Intergovernmental	33,011	11,271	2,777	528,745
Charges for Services	81,368	70,641	-	213,833
Miscellaneous	-	27,032	-	228,801
TOTAL RECEIPTS	114,379	108,944	43,490	1,506,032
DISBURSEMENTS				
General Government	-	-	-	146,158
Public Safety	-	123,868	-	920,739
Public Works	215,202	-	-	215,966
Public Assistance	-	-	-	16,787
Culture and Recreation	-	-	43,175	230,996
TOTAL DISBURSEMENTS	215,202	123,868	43,175	1,530,646
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(100,823)	(14,924)	315	(24,614)
OTHER FINANCING SOURCES (USES)				
Transfers in	95,000	-	-	624,318
Transfers out	-	-	-	(440,335)
TOTAL OTHER FINANCING SOURCES (USES)	95,000	-	-	183,983
Net Change in Fund Balances	(5,823)	(14,924)	315	159,369
FUND BALANCES - BEGINNING	14,403	175,423	263	1,443,130
FUND BALANCES - ENDING	\$ 8,580	\$ 160,499	\$ 578	\$ 1,602,499
FUND BALANCES:				
Restricted for:				
Visitor Promotion	-	-	-	218,256
911 Emergency Services	-	-	-	264,088
Drug Education	-	-	-	22,330
Law Enforcement	-	-	-	34,819
Preservation of Records	-	-	-	20,136
Debt Service	-	-	-	166,360
Committed to:				
Law Enforcement	-	-	-	28,725
Employee Recognition	-	-	-	7,835
Aid and Assistance	-	-	-	149,774
County Buildings	-	160,499	-	189,390
Unemployment Benefits	-	-	-	63,894
Miscellaneous Projects	-	-	-	97,172
Watershed Management	-	-	-	330,562
Noxious Weed	8,580	-	-	8,580
Historical Society	-	-	578	578
TOTAL FUND BALANCES	\$ 8,580	\$ 160,499	\$ 578	\$ 1,602,499

(Concluded)

DAWSON COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2014

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent
BALANCES JULY 1, 2013	\$ 3,265	\$ 26,739	\$ 168,864	\$ 69,811	\$ 11,808	\$ 19,018	\$ -
RECEIPTS							
Licenses and Permits	5,848	-	-	-	-	-	-
Intergovernmental	-	-	-	795,874	-	-	-
Charges for Services	9,747	149,197	87,083	108,425	6,600	123,437	-
Miscellaneous	142,800	-	-	-	1	-	23,063
State Fees	-	178,757	94,689	-	-	-	-
Other Liabilities	-	-	865,132	467,701	11,033	-	-
TOTAL RECEIPTS	158,395	327,954	1,046,904	1,372,000	17,634	123,437	23,063
DISBURSEMENTS							
Payments to County Treasurer	155,142	149,025	73,871	913,161	6,600	114,368	23,063
Payments to State Treasurer	-	180,089	95,196	-	-	-	-
Other Liabilities	3,201	-	878,974	473,315	16,325	-	-
TOTAL DISBURSEMENTS	158,343	329,114	1,048,041	1,386,476	22,925	114,368	23,063
BALANCES JUNE 30, 2014	<u>\$ 3,317</u>	<u>\$ 25,579</u>	<u>\$ 167,727</u>	<u>\$ 55,335</u>	<u>\$ 6,517</u>	<u>\$ 28,087</u>	<u>\$ -</u>
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 517	\$ 13,007	\$ 16,197	\$ 28,341	\$ 5,716	\$ 28,087	\$ -
Petty Cash	2,800	-	450	1,825	800	-	-
Due to State Treasurer	-	12,572	6,399	-	-	-	-
Due to Others	-	-	144,681	25,169	1	-	-
BALANCES JUNE 30, 2014	<u>\$ 3,317</u>	<u>\$ 25,579</u>	<u>\$ 167,727</u>	<u>\$ 55,335</u>	<u>\$ 6,517</u>	<u>\$ 28,087</u>	<u>\$ -</u>

(Continued)

DAWSON COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2014

	Veterans' Service Officer	County Surveyor	County Child Support	County Planning and Zoning	County Handi-Bus	County CASA	Total
BALANCES JULY 1, 2013	\$ 1,748	\$ 4,870	\$ 1,500	\$ -	\$ 91	\$ -	\$ 307,714
RECEIPTS							
Licenses and Permits	-	-	-	1,630	-	-	7,478
Intergovernmental	-	-	-	-	-	2,850	798,724
Charges for Services	-	26,256	-	-	32	-	510,777
Miscellaneous	-	-	-	-	-	34,687	200,551
State Fees	-	-	-	-	-	-	273,446
Other Liabilities	-	-	6,127	-	-	-	1,349,993
TOTAL RECEIPTS	<u>-</u>	<u>26,256</u>	<u>6,127</u>	<u>1,630</u>	<u>32</u>	<u>37,537</u>	<u>3,140,969</u>
DISBURSEMENTS							
Payments to County Treasurer	-	26,781	-	1,630	123	37,537	1,501,301
Payments to State Treasurer	-	-	-	-	-	-	275,285
Other Liabilities	890	-	6,057	-	-	-	1,378,762
TOTAL DISBURSEMENTS	<u>890</u>	<u>26,781</u>	<u>6,057</u>	<u>1,630</u>	<u>123</u>	<u>37,537</u>	<u>3,155,348</u>
BALANCES JUNE 30, 2014	<u>\$ 858</u>	<u>\$ 4,345</u>	<u>\$ 1,570</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 293,335</u>
BALANCES CONSIST OF:							
Due to County Treasurer	\$ 858	\$ 4,345	\$ 70	\$ -	\$ -	\$ -	\$ 97,138
Petty Cash	-	-	1,500	-	-	-	7,375
Due to State Treasurer	-	-	-	-	-	-	18,971
Due to Others	-	-	-	-	-	-	169,851
BALANCES JUNE 30, 2014	<u>\$ 858</u>	<u>\$ 4,345</u>	<u>\$ 1,570</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 293,335</u>

(Concluded)

DAWSON COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2014

Item	2009	2010	2011	2012	2013
Tax Certified by Assessor					
Real Estate	\$ 29,407,114	\$ 31,806,065	\$ 34,110,324	\$ 35,557,314	\$ 39,104,543
Personal and Specials	2,043,535	2,228,160	2,328,426	2,668,838	2,979,583
Total	31,450,649	34,034,225	36,438,750	38,226,152	42,084,126
Corrections					
Additions	34,522	67,948	112,720	21,901	9,334
Deductions	(106,942)	(72,036)	(118,387)	(57,994)	(21,718)
Net Additions/ (Deductions)	(72,420)	(4,088)	(5,667)	(36,093)	(12,384)
Corrected Certified Tax	31,378,229	34,030,137	36,433,083	38,190,059	42,071,742
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2010	18,273,494	-	-	-	-
June 30, 2011	13,067,124	19,825,351	-	-	-
June 30, 2012	31,283	14,161,752	21,450,683	-	-
June 30, 2013	3,216	36,477	14,955,590	23,041,233	-
June 30, 2014	528	2,096	18,556	15,117,674	25,890,140
Total Net Collections	31,375,645	34,025,676	36,424,829	38,158,907	25,890,140
Total Uncollected Tax	\$ 2,584	\$ 4,461	\$ 8,254	\$ 31,152	\$ 16,181,602
Percentage Uncollected Tax	0.01%	0.01%	0.02%	0.08%	38.46%

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



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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DAWSON 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
Dawson 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 Dawson County, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Dawson County's basic financial statements, and have issued our report thereon dated March 9, 2015. The report notes the financial statements were prepared on the basis of cash receipts and disbursements.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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. We consider the following deficiency to be a material weakness:

- 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.

Compliance and Other Matters

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

Additional Items

We also noted certain matters that we reported to the management of Dawson County in a separate letter dated March 9, 2015.


Dawson County's Response to Findings

Dawson County declined to respond to the finding described above.

Purpose of this Report

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

March 9, 2015


Deann Haeffner, CPA
Assistant Deputy Auditor
Lincoln, Nebraska



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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March 9, 2015

Board of Commissioners
Dawson County, Nebraska

Dear Commissioners:

We have audited the basic financial statements of Dawson County (County) for the fiscal year ended June 30, 2014, and have issued our report thereon dated March 9, 2015. 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 areas, as follows:

COUNTY OVERALL

Segregation of Duties

Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. A system of internal control should include a proper segregation of duties, so no one individual is capable of handling all phases of a transaction from beginning to end.

We noted 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. Due to a limited number of personnel, an adequate segregation of duties is not possible without additional cost. This was also noted in prior audits.

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

COUNTY TREASURER

Deposit Coverage

During our audit, we noted the County Treasurer had two bank accounts, which did not have sufficient pledged securities during the fiscal year. Deposits exceeded coverage in one account for 47 days during the fiscal year, with amounts ranging between \$4,180 and \$3,773,753; in the other account, deposits exceeded coverage 101 days during the fiscal year, with amounts ranging from \$665 to \$79,899.

Neb. Rev. Stat § 77-2395(1) (Reissue 2009) states, in relevant part:

[T]he custodial official shall not have on deposit in such depository any public money or public funds in excess of the amount insured or guaranteed by the Federal Deposit Insurance Corporation, unless and until the depository has furnished to the custodial official securities, the market value of which are in an amount not less than one hundred two percent of the amount on deposit which is in excess of the amount so insured or guaranteed.

When deposits are not fully secured at all times, County offices are not in compliance with State statute, and there is an increased risk of loss should the financial institutions holding County deposits fail.

We recommend the County Treasurer implement procedures to ensure bank deposits are adequately secured at all times.

County's Response: A daily audit of the pledged collateral for Dawson County's accounts held at Pinnacle Bank is now in place. The amount of the pledged collateral amount will continue to be based on the last day of the previous month. A drop or rise in market value and changes in collateral during the month will not be reflected until the following month.

In Lieu of Tax Distribution

The distribution of the Public Power District In Lieu of Tax payments was not correct for the City of Lexington. The full amount collected was being split between the School District and the County, resulting in an underpayment of \$8,242 to the City of Lexington.

Neb. Rev. Stat. § 70-651.04 (Cum. Supp. 2014) states:

All payments which are based on retail revenue from each incorporated city or village shall be divided and distributed by the county treasurer to that city or village, to the school districts located in that city or village, to any learning community located in that city or village, and to the county in which may be located any such incorporated city or village in the proportion that their respective property tax levies in the preceding year bore to the total of such levies

When distributions are not made according to State statute, there is an increased risk of loss or misuse of funds.

We recommend the County Treasurer correct the distribution of the In Lieu of Tax payments and implement procedures to ensure future distributions are correct.

County's Response: The County Attorney and City Attorney are currently in negotiation to determine how far back the correction should apply. The city began annexing portions of the county that were serviced by the Dawson Public Power District in 1995 without bringing that to the attention of the former or present treasurer. When that determination is made, a correction will be made.

COUNTY SHERIFF

Balancing Procedures

During our audit, we noted the following issues with the County Sheriff's balancing procedures at June 30, 2014:

- September and November 2013 fees and mileage earned, totaling \$9,055, were not remitted to the County Treasurer as of February 2, 2015.
- The inmate trust bank account was not reconciled on a monthly basis and indicated a negative book balance of \$15,534 as of June 30, 2014. The variance appears to be due to failure to void or clear certain transaction amounts on the books, including duplicate checks being written when the original checks were not voided. Due to the inaccuracy of the listing of uncleared transactions for this account, it was not possible to perform an accurate reconciliation of this bank account.
- The Sheriff's fee bank account was not being reconciled on a monthly basis, causing an unknown variance between the bank balance and book balance of \$31, as of June 30, 2014.

Neb. Rev. Stat. § 33-117(3) (Cum. Supp. 2014) requires the County Sheriff to report all fees earned to the County Board on the first Tuesday in January, April, July, and October. Those fees must be paid to the County Treasurer for credit to the County's General Fund. In addition, good internal control requires procedures be in place to ensure the following: assets (cash on hand, reconciled bank statement, and accounts receivable) agree with office liabilities (fees, trust accounts, and accounts payable); bank reconciliations are performed timely and accurately; all monies received are recorded and timely deposited; and all financial records are complete and accurate.

When collections are not timely remitted to the County Treasurer, the County Sheriff's office is not compliant with State statute. Additionally, failure to complete monthly balancing procedures, including identifying and resolving asset-to-liability balancing variances, increases risk of loss, theft, or misuse of funds and allows errors to go undetected more easily.

We recommend the County Sheriff implement documented monthly balancing procedures and follow up on all unexplained variances in a timely manner; amounts determined to be excess or unknown should be remitted to the County General Fund.

County's Response: We had two previous employees doing the bookkeeping whom are no longer employed with Dawson County Sheriff's Office. We have taken measures and put into place procedures to make sure these errors don't occur in the future. In reference to the above bullet points:

- The checks were issued on February 6, 2015, check numbers 849 and 8418 in the total amount of \$9,054.68.*
- We have went into our Records Management and QuickBooks to verify and are working on clearing and voiding inaccurate transactions. Due to the research we are having to do in order to complete this it is taking some time. If and when we are completely finished with this we will send in any unclaimed property needed or submit any extra funds to Dawson County Treasurer.*
- This account is being cleaned up and reconciled. With a \$525 starting balance.*

Petty Cash Funds

We noted the County Sheriff was not reconciling the petty cash funds maintained back to the authorized amount.

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

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

When petty cash funds are not reconciled to the authorized amount, there is an increased risk of loss, theft, or misuse of County funds.

We recommend the County Sheriff reconcile the petty cash funds maintained back to the authorized amount. We also recommend the County Sheriff and County Board review the amount of the petty cash fund authorized and ensure the amount accurately reflects the activity and amounts needed.

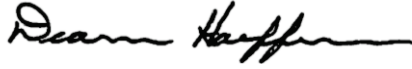
* * * * *

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

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

This report is intended solely for the information and use of the County, the appropriate Federal and regulatory agencies, and citizens of the State of Nebraska, and it is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Sincerely,

A handwritten signature in black ink, appearing to read "Deann Haeffner". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Deann Haeffner
Assistant Deputy Auditor