

**AUDIT REPORT  
OF  
DAWSON COUNTY**

**JULY 1, 2015 THROUGH JUNE 30, 2016**

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**Issued on January 6, 2017**

DAWSON COUNTY

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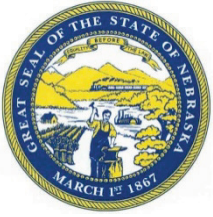
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DAWSON COUNTY

**LIST OF COUNTY OFFICIALS**

At June 30, 2016

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Board of Commissioners	Everett (Butch) Hagan	Jan. 2017
	Bill Stewart	Jan. 2019
	Dennis Rickertsen	Jan. 2019
	Dean Kugler	Jan. 2017
	P J Jacobson	Jan. 2017
Assessor	John Moore	Jan. 2019
Attorney	Elizabeth Waterman	Jan. 2019
Clerk		Jan. 2019
Election Commissioner	Karla Zlatkovsky	
Register of Deeds	Dian Lauby	Jan. 2019
Clerk of the District Court	Becky Boryca	Jan. 2019
Sheriff	Gary Reiber	Jan. 2019
Treasurer	Sharon Wood	Jan. 2019
Surveyor	Mark Streit	Jan. 2019
Veterans' Service Officer	Steve Zerr	Appointed
Emergency Manager	Brian Woldt	Appointed
Highway Superintendent	Pat Nichols	Appointed
Planning & Zoning	Pam Holbrook	Appointed
Public Defender	Kenneth Harbison	Appointed
Weed Superintendent	Marty Craig	Appointed



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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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, 2016, 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, 2016, and the respective changes in cash-basis financial position for the year then ended in conformity with the basis of accounting described in Note 1.

### **Emphasis of Matters – Basis of Accounting**

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

### **Report on Supplementary Information**

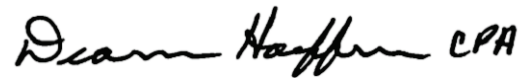
Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected 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 19-38, are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2016, 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* in considering Dawson County's internal control over financial reporting and compliance.

December 22, 2016



Deann Haeffner, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

DAWSON COUNTY  
**STATEMENT OF NET POSITION - CASH BASIS**  
 June 30, 2016

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 15,389,463
Investments (Note 1.D)	100,000
<b>TOTAL ASSETS</b>	<b>\$ 15,489,463</b>
 <b>NET POSITION</b>	
Restricted for:	
Visitor Promotion	\$ 260,713
911 Emergency Services	284,119
Drug Education	25,787
Law Enforcement	84,850
Preservation of Records	41,527
Bridge and Road Projects	683,498
Unrestricted	14,108,969
<b>TOTAL NET POSITION</b>	<b>\$ 15,489,463</b>

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, 2016

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement)
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Receipts and Changes in Net Position
<b>Governmental Activities:</b>				
General Government	\$ (5,727,241)	\$ 877,890	\$ 203,182	\$ (4,646,169)
Public Safety	(4,735,013)	226,617	720,705	(3,787,691)
Public Works	(6,608,630)	65,248	2,676,062	(3,867,320)
Health and Sanitation	(137,762)	-	1,693	(136,069)
Public Assistance	(105,108)	-	-	(105,108)
Culture and Recreation	(256,250)	-	-	(256,250)
<b>Total Governmental Activities</b>	<b>\$ (17,570,004)</b>	<b>\$ 1,169,755</b>	<b>\$ 3,601,642</b>	<b>(12,798,607)</b>

General Receipts:

Property Taxes	11,955,532
Grants and Contributions Not Restricted to Specific Programs	1,727,460
Investment Income	40,309
Licenses and Permits	88,907
Insurance Reimbursements	293,177
Miscellaneous	256,152
<b>Total General Receipts</b>	<b>14,361,537</b>
 Increase in Net Position	 1,562,930
Net Position - Beginning of year	13,926,533
<b>Net Position - End of year</b>	<b>\$ 15,489,463</b>

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, 2016

	General Fund	Road Fund	Inheritance Fund	Insurance Fund	Sinking Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents (Note 1.D)	\$ 3,699,667	\$ 49,418	\$ 2,018,969	\$ 3,559,626	\$3,800,000	\$ 2,261,783	\$ 15,389,463
Investments (Note 1.D)	100,000	-	-	-	-	-	100,000
<b>TOTAL ASSETS</b>	<u>\$ 3,799,667</u>	<u>\$ 49,418</u>	<u>\$ 2,018,969</u>	<u>\$ 3,559,626</u>	<u>\$3,800,000</u>	<u>\$ 2,261,783</u>	<u>\$ 15,489,463</u>
<b>FUND BALANCES</b>							
Restricted for:							
Visitor Promotion	-	-	-	-	-	260,713	260,713
911 Emergency Services	-	-	-	-	-	284,119	284,119
Drug Education	-	-	-	-	-	25,787	25,787
Law Enforcement	-	-	-	-	-	84,850	84,850
Preservation of Records	-	-	-	-	-	41,527	41,527
Bridge and Road Projects	-	-	-	-	-	683,498	683,498
Committed to:							
Law Enforcement	-	-	-	-	-	43,405	43,405
Road Maintenance	-	49,418	-	-	-	-	49,418
Aid and Assistance	-	-	-	-	-	40,377	40,377
County Buildings	-	-	-	-	-	148,814	148,814
Insurance Reimbursements	-	-	-	3,559,626	-	-	3,559,626
Unemployment Benefits	-	-	-	-	-	72,777	72,777
Miscellaneous Projects	-	-	-	-	3,800,000	191,619	3,991,619
Employee Recognition	-	-	-	-	-	10,083	10,083
Watershed Management	-	-	-	-	-	364,822	364,822
Noxious Weed	-	-	-	-	-	8,869	8,869
Historical Society	-	-	-	-	-	523	523
Assigned to:							
Other Purposes	-	-	2,018,969	-	-	-	2,018,969
Unassigned	3,799,667	-	-	-	-	-	3,799,667
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 3,799,667</u>	<u>\$ 49,418</u>	<u>\$ 2,018,969</u>	<u>\$ 3,559,626</u>	<u>\$3,800,000</u>	<u>\$ 2,261,783</u>	<u>\$ 15,489,463</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, 2016

	General Fund	Road Fund	Inheritance Fund	Insurance Fund	Sinking Fund	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>							
Property Taxes	\$ 10,347,982	\$ -	\$ 1,128,705	\$ -	\$ -	\$ 478,845	\$ 11,955,532
Licenses and Permits	88,907	-	-	-	-	-	88,907
Investment Income	29,419	-	-	10,487	-	403	40,309
Intergovernmental	2,245,352	2,430,683	-	-	-	653,067	5,329,102
Charges for Services	948,689	-	-	-	-	221,066	1,169,755
Miscellaneous	9,346	21,366	-	293,177	-	225,440	549,329
<b>TOTAL RECEIPTS</b>	<u>13,669,695</u>	<u>2,452,049</u>	<u>1,128,705</u>	<u>303,664</u>	<u>-</u>	<u>1,578,821</u>	<u>19,132,934</u>
<b>DISBURSEMENTS</b>							
General Government	4,422,684	-	2,861	1,183,146	-	118,550	5,727,241
Public Safety	3,756,683	-	-	-	-	978,330	4,735,013
Public Works	153,709	6,286,846	-	-	-	168,075	6,608,630
Health and Sanitation	137,762	-	-	-	-	-	137,762
Public Assistance	91,904	-	-	-	-	13,204	105,108
Culture and Recreation	-	-	-	-	-	256,250	256,250
<b>TOTAL DISBURSEMENTS</b>	<u>8,562,742</u>	<u>6,286,846</u>	<u>2,861</u>	<u>1,183,146</u>	<u>-</u>	<u>1,534,409</u>	<u>17,570,004</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>5,106,953</u>	<u>(3,834,797)</u>	<u>1,125,844</u>	<u>(879,482)</u>	<u>-</u>	<u>44,412</u>	<u>1,562,930</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	259,045	3,782,596	-	1,409,243	500,000	590,711	6,541,595
Transfers out	(4,246,330)	(24)	(2,000,000)	-	-	(295,241)	(6,541,595)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(3,987,285)</u>	<u>3,782,572</u>	<u>(2,000,000)</u>	<u>1,409,243</u>	<u>500,000</u>	<u>295,470</u>	<u>-</u>
Net Change in Fund Balances	1,119,668	(52,225)	(874,156)	529,761	500,000	339,882	1,562,930
<b>CASH BASIS FUND BALANCES - BEGINNING</b>							
	<u>2,679,999</u>	<u>101,643</u>	<u>2,893,125</u>	<u>3,029,865</u>	<u>3,300,000</u>	<u>1,921,901</u>	<u>13,926,533</u>
<b>CASH BASIS FUND BALANCES - ENDING</b>							
	<u>\$ 3,799,667</u>	<u>\$ 49,418</u>	<u>\$ 2,018,969</u>	<u>\$ 3,559,626</u>	<u>\$ 3,800,000</u>	<u>\$ 2,261,783</u>	<u>\$ 15,489,463</u>

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, 2016

	Agency Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,453,112
 <b>LIABILITIES</b>	
Due to other governments	
State	395,117
Schools	478,731
Educational Service Units	3,253
Technical College	22,795
Natural Resource Districts	9,004
Cemetery Districts	86
Fire Districts	1,728
Municipalities	70,635
Agricultural Society	1,871
Drainage Districts	4,104
Railroad Transportation Districts	143,284
Sanitary and Improvement Districts	14,804
Hospital	2,370
Airport Authorities	5,063
Others	300,267
<b>TOTAL LIABILITIES</b>	<b>1,453,112</b>
 <b>TOTAL NET ASSETS</b>	 <b>\$ -</b>

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, 2016

### 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 \$119,548 toward the operation of the Region during fiscal year 2016. 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 Public 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. 2016).

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 2016. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is audited in accordance with Neb. Rev. Stat. § 84-304(4) (Cum. Supp. 2016). 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 the following: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

**Fund Financial Statements.** The fund financial statements provide information about the County’s funds, including its fiduciary funds. GAAP requires separate statements by fund category – governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The County Board is the highest level of decision-making authority and has the authority, by resolution, to establish, modify, or rescind the commitment or assignment of a fund balance to a specific purpose. When

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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.

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.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those assets and fund balances arising from cash transactions on the Statement of Net Position - Cash Basis and the Statement of Activities - Cash Basis. Receipts are recognized when received, and disbursements are recognized when 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.

**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.

DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

**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 \$1,380,494 of restricted net position, which is fully restricted by enabling legislation.

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

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



DAWSON COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 \$15,389,463 for County funds and \$1,453,112 for Fiduciary funds. The bank balances for all funds totaled \$16,787,439. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2016, 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 \$100,000 deposited in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a seven-member Board of Trustees. All net income of the trust is determined as of the close of business on each banking day and is credited thereafter pro rata to each participant's account. Net income that has accrued to each participant is converted as of the close of business of each calendar month into additional units, which thereafter are held in each participant's trust account. Since net income of the fund is allocated among participants each time net income is determined, the net asset value remains at \$1.00 per unit. Securities held by NPAIT are not held in the County's name.

3. **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 2015, for the 2015 taxes, which will be materially collected in May and September 2016, was set at \$.324923/\$100 of assessed valuation. The levy set in October 2014, for the 2014 taxes, which were materially collected in May and September 2015, was set at \$.365097/\$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, Supp. 2015) 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.

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, 2016, 183 employees contributed \$296,238, and the County contributed \$436,993. Contributions included \$14,722 in cash contributions towards the supplemental law enforcement plan for 31 law enforcement employees.

**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 80 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.

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

DAWSON COUNTY

**NOTES TO FINANCIAL STATEMENTS**  
(Concluded)

**5. Risk Management** (Concluded)

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 2017. 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, 2016, consisted of the following:

<b>Transfers to</b>	Transfers from				Total
	General Fund	Road Fund	Inheritance Fund	Nonmajor Funds	
General Fund	\$ -	\$ -	\$ 258,000	\$ 1,045	\$ 259,045
Road Fund	2,557,596	-	1,225,000	-	3,782,596
Insurance Fund	1,287,929	24	-	121,290	1,409,243
Sinking Fund	-	-	500,000	-	500,000
Nonmajor Funds	400,805	-	17,000	172,906	590,711
Total	\$ 4,246,330	\$ 24	\$ 2,000,000	\$ 295,241	\$ 6,541,595

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.

**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.

**8. Noxious Weed Board**

The County has a separately elected Noxious Weed Board (Weed Board). The Weed Board has the authority to set rates and approve bids for the activity of the County's Noxious Weed Department.

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 10,795,257	\$ 10,795,257	\$ 10,347,982	\$ (447,275)
Licenses and Permits	85,365	85,365	88,907	3,542
Interest	21,500	21,500	29,419	7,919
Intergovernmental	875,860	875,860	2,245,352	1,369,492
Charges for Services	1,030,150	1,030,150	948,689	(81,461)
Miscellaneous	2,580	2,580	9,346	6,766
<b>TOTAL RECEIPTS</b>	<b>12,810,712</b>	<b>12,810,712</b>	<b>13,669,695</b>	<b>858,983</b>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	91,675	91,675	90,109	1,566
County Clerk	176,690	176,690	158,780	17,910
County Treasurer	266,125	266,125	254,665	11,460
Register of Deeds	134,900	134,900	109,652	25,248
County Assessor	461,749	464,996	464,996	-
Election Commissioner	76,475	76,475	55,051	21,424
Building and Zoning	19,500	19,500	15,043	4,457
Clerk of the District Court	283,150	283,150	240,389	42,761
County Court System	277,700	279,390	279,390	-
District Judge	155,570	155,570	141,046	14,524
Public Defender	215,670	215,670	209,522	6,148
Building and Grounds	1,056,400	1,056,400	551,309	505,091
Agricultural Extension Agent	147,542	147,542	126,182	21,360
Child Support	178,115	178,115	164,700	13,415
Miscellaneous	3,867,550	3,862,613	1,561,850	2,300,763
Public Safety				
County Sheriff	3,317,284	3,317,284	3,116,166	201,118
County Attorney	532,932	532,932	510,175	22,757
Emergency Management	110,500	110,500	89,756	20,744
Miscellaneous	95,000	95,000	40,586	54,414
Public Works				
County Surveyor	180,496	180,496	153,709	26,787
Public Health				
Institutions	155,000	155,000	137,762	17,238
Public Assistance				
Veterans' Service Officer	56,726	56,726	53,135	3,591
Senior Citizen Handi-Bus	44,705	44,705	26,455	18,250
County Relief	50,000	50,000	12,314	37,686
<b>TOTAL DISBURSEMENTS</b>	<b>11,951,454</b>	<b>11,951,454</b>	<b>8,562,742</b>	<b>3,388,712</b>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	859,258	859,258	5,106,953	4,247,695
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,326,707	2,326,707	259,045	(2,067,662)
Transfers out	(4,935,657)	(4,935,657)	(4,246,330)	689,327
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	(2,608,950)	(2,608,950)	(3,987,285)	(1,378,335)
Net Change in Fund Balance	(1,749,692)	(1,749,692)	1,119,668	2,869,360
<b>FUND BALANCE - BEGINNING</b>	2,669,692	2,669,692	2,679,999	10,307
<b>FUND BALANCE - ENDING</b>	<u>\$ 920,000</u>	<u>\$ 920,000</u>	<u>\$ 3,799,667</u>	<u>\$ 2,879,667</u>

(Concluded)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 2,333,694	\$ 2,333,694	\$2,430,683	\$ 96,989
Miscellaneous	44,000	44,000	21,366	(22,634)
<b>TOTAL RECEIPTS</b>	<u>2,377,694</u>	<u>2,377,694</u>	<u>2,452,049</u>	<u>74,355</u>
<b>DISBURSEMENTS</b>	<u>7,629,590</u>	<u>7,629,590</u>	<u>6,286,846</u>	<u>1,342,744</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>(5,251,896)</u>	<u>(5,251,896)</u>	<u>(3,834,797)</u>	<u>1,417,099</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,650,253	5,650,253	3,782,596	(1,867,657)
Transfers out	-	-	(24)	(24)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>5,650,253</u>	<u>5,650,253</u>	<u>3,782,572</u>	<u>(1,867,681)</u>
Net Change in Fund Balance	398,357	398,357	(52,225)	(450,582)
FUND BALANCE - BEGINNING	101,643	101,643	101,643	-
FUND BALANCE - ENDING	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 49,418</u>	<u>\$ (450,582)</u>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 106,875	\$ 106,875	\$1,128,705	\$ 1,021,830
<b>TOTAL RECEIPTS</b>	<u>106,875</u>	<u>106,875</u>	<u>1,128,705</u>	<u>1,021,830</u>
<b>DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>2,861</u>	<u>(2,861)</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>106,875</u>	<u>106,875</u>	<u>1,125,844</u>	<u>1,018,969</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(3,000,000)	(3,000,000)	(2,000,000)	1,000,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(2,000,000)</u>	<u>1,000,000</u>
Net Change in Fund Balance	(2,893,125)	(2,893,125)	(874,156)	2,018,969
FUND BALANCE - BEGINNING	2,893,125	2,893,125	2,893,125	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$2,018,969</u>	<u>\$ 2,018,969</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>INSURANCE FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ -	\$ -	\$ 10,487	\$ 10,487
Miscellaneous	120,135	120,135	293,177	173,042
<b>TOTAL RECEIPTS</b>	<u>120,135</u>	<u>120,135</u>	<u>303,664</u>	<u>183,529</u>
DISBURSEMENTS	<u>2,700,000</u>	<u>2,700,000</u>	<u>1,183,146</u>	<u>1,516,854</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(2,579,865)</u>	<u>(2,579,865)</u>	<u>(879,482)</u>	<u>1,700,383</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,409,243	1,409,243
Transfers out	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>	<u>300,000</u>
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>1,409,243</u>	<u>1,709,243</u>
Net Change in Fund Balance	(2,879,865)	(2,879,865)	529,761	3,409,626
FUND BALANCE - BEGINNING	<u>2,879,865</u>	<u>2,879,865</u>	<u>3,029,865</u>	<u>150,000</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$3,559,626</u></u>	<u><u>\$ 3,559,626</u></u>
<b>SINKING FUND</b>				
<b>RECEIPTS</b>				
<b>TOTAL RECEIPTS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DISBURSEMENTS	<u>3,050,000</u>	<u>3,050,000</u>	<u>-</u>	<u>3,050,000</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(3,050,000)</u>	<u>(3,050,000)</u>	<u>-</u>	<u>3,050,000</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	500,000	500,000
Transfers out	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>(250,000)</u>	<u>(250,000)</u>	<u>500,000</u>	<u>750,000</u>
Net Change in Fund Balance	(3,300,000)	(3,300,000)	500,000	3,800,000
FUND BALANCE - BEGINNING	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$3,800,000</u></u>	<u><u>\$ 3,800,000</u></u>

(Concluded)



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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HIGHWAY BUY BACK FUND</b>				
Receipts	\$ -	\$ -	\$ 245,379	\$ 245,379
Disbursements	(438,119)	(438,119)	-	438,119
Net Change in Fund Balance	(438,119)	(438,119)	245,379	683,498
Fund Balance - Beginning	438,119	438,119	438,119	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 683,498</u>	<u>\$ 683,498</u>
<b>VISITOR'S PROMOTION FUND</b>				
Receipts	\$ 91,682	\$ 91,682	\$ 135,708	\$ 44,026
Disbursements	(177,450)	(177,450)	(106,437)	71,013
Net Change in Fund Balance	(85,768)	(85,768)	29,271	115,039
Fund Balance - Beginning	85,768	85,768	85,768	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,039</u>	<u>\$ 115,039</u>
<b>VISITOR'S IMPROVEMENT FUND</b>				
Receipts	\$ 83,442	\$ 83,442	\$ 135,708	\$ 52,266
Disbursements	(176,000)	(176,000)	(82,592)	93,408
Net Change in Fund Balance	(92,558)	(92,558)	53,116	145,674
Fund Balance - Beginning	92,558	92,558	92,558	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,674</u>	<u>\$ 145,674</u>
<b>REGISTER OF DEEDS PERSERVATION FUND</b>				
Receipts	\$ 5,618	\$ 5,618	\$ 13,720	\$ 8,102
Disbursements	(35,000)	(35,000)	(1,575)	33,425
Net Change in Fund Balance	(29,382)	(29,382)	12,145	41,527
Fund Balance - Beginning	29,382	29,382	29,382	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,527</u>	<u>\$ 41,527</u>
<b>UNEMPLOYMENT COMPENSATION FUND</b>				
Receipts	\$ 11,426	\$ 11,426	\$ 10,175	\$ (1,251)
Disbursements	(70,000)	(70,000)	(5,972)	64,028
Net Change in Fund Balance	(58,574)	(58,574)	4,203	62,777
Fund Balance - Beginning	68,574	68,574	68,574	-
Fund Balance - Ending	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 72,777</u>	<u>\$ 62,777</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>PARENT CHILD CENTER FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	(10,000)	(10,000)	(10,000)	-
Transfers in	10,000	10,000	10,000	-
Transfers out	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>COUNTY RELIEF FUND</b>				
Receipts	\$ -	\$ -	\$ 1	\$ 1
Disbursements	-	-	-	-
Net Change in Fund Balance	-	-	1	1
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<b>INSTITUTIONS FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(93)	(93)	(93)	-
Net Change in Fund Balance	(93)	(93)	(93)	-
Fund Balance - Beginning	93	93	93	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>VETERAN'S AID FUND</b>				
Receipts	\$ 3,727	\$ 3,727	\$ 584	\$ (3,143)
Disbursements	(5,000)	(5,000)	(2,017)	2,983
Transfers in	-	-	3,500	3,500
Transfers out	-	-	(833)	(833)
Net Change in Fund Balance	(1,273)	(1,273)	1,234	2,507
Fund Balance - Beginning	1,273	1,273	1,273	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,507</u>	<u>\$ 2,507</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>VETERAN'S RELIEF FUND</b>				
Receipts	\$ 65	\$ 65	\$ 1	\$ (64)
Disbursements	(20,100)	(20,100)	(1,187)	18,913
Net Change in Fund Balance	(20,035)	(20,035)	(1,186)	18,849
Fund Balance - Beginning	20,035	20,035	20,035	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,849</u>	<u>\$ 18,849</u>
<b>CASA FUND</b>				
Receipts	\$ 78,468	\$ 78,468	\$ 64,956	\$ (13,512)
Disbursements	(97,427)	(97,427)	(70,558)	26,869
Transfers in	18,894	18,894	24,200	5,306
Transfers out	-	-	(9,451)	(9,451)
Net Change in Fund Balance	(65)	(65)	9,147	9,212
Fund Balance - Beginning	65	65	65	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,212</u>	<u>\$ 9,212</u>
<b>STOP FUND</b>				
Receipts	\$ 31,233	\$ 31,233	\$ 5,900	\$ (25,333)
Disbursements	(35,000)	(35,000)	-	35,000
Net Change in Fund Balance	(3,767)	(3,767)	5,900	9,667
Fund Balance - Beginning	3,767	3,767	3,767	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,667</u>	<u>\$ 9,667</u>
<b>COUNTY DRUG FUND</b>				
Receipts	\$ 28,763	\$ 28,763	\$ 4,550	\$ (24,213)
Disbursements	(50,000)	(50,000)	-	50,000
Net Change in Fund Balance	(21,237)	(21,237)	4,550	25,787
Fund Balance - Beginning	21,237	21,237	21,237	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,787</u>	<u>\$ 25,787</u>
<b>MID-WEST NEBRASKA DRUG COURT FUND</b>				
Receipts	\$ 2	\$ 3,813	\$ 30,615	\$ 26,802
Disbursements	(18,407)	(22,218)	(22,218)	-
Net Change in Fund Balance	(18,405)	(18,405)	8,397	26,802
Fund Balance - Beginning	18,405	18,405	18,405	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,802</u>	<u>\$ 26,802</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>FEDERAL DRUG FORFEITURE FUND</b>				
Receipts	\$ 4,516	\$ 4,516	\$ -	\$ (4,516)
Disbursements	(5,000)	(5,000)	-	5,000
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>
<b>K-9 DOG FUND</b>				
Receipts	\$ 10,961	\$ 10,961	\$ 883	\$ (10,078)
Disbursements	(15,000)	(15,000)	(59)	14,941
Net Change in Fund Balance	(4,039)	(4,039)	824	4,863
Fund Balance - Beginning	4,039	4,039	4,039	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,863</u>	<u>\$ 4,863</u>
<b>SHERIFF GRANTS FUND</b>				
Receipts	\$ 12,969	\$ 12,969	\$ 20,988	\$ 8,019
Disbursements	(35,000)	(35,000)	(24,176)	10,824
Transfers in	-	-	7,401	7,401
Transfers out	-	-	-	-
Net Change in Fund Balance	(22,031)	(22,031)	4,213	26,244
Fund Balance - Beginning	22,031	22,031	22,031	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,244</u>	<u>\$ 26,244</u>
<b>SCAAP FUND</b>				
Receipts	\$ 98	\$ 98	\$ 15,484	\$ 15,386
Disbursements	(43,200)	(43,200)	(3,464)	39,736
Net Change in Fund Balance	(43,102)	(43,102)	12,020	55,122
Fund Balance - Beginning	43,102	43,102	43,102	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,122</u>	<u>\$ 55,122</u>
<b>CASA GRANT FUND</b>				
Receipts	\$ 2,401	\$ 2,401	\$ 2,450	\$ 49
Disbursements	(6,834)	(6,834)	(3,634)	3,200
Net Change in Fund Balance	(4,433)	(4,433)	(1,184)	3,249
Fund Balance - Beginning	4,433	4,433	4,433	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,249</u>	<u>\$ 3,249</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>COUNTY GRANT FUND</b>				
Receipts	\$ 238,430	\$ 238,430	\$ 6,197	\$ (232,233)
Disbursements	(350,000)	(350,000)	(31,767)	318,233
Transfers in	83,000	83,000	-	(83,000)
Transfers out	-	-	-	-
Net Change in Fund Balance	(28,570)	(28,570)	(25,570)	3,000
Fund Balance - Beginning	28,570	28,570	28,570	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
<b>VICTIM ASSISTANCE FUND</b>				
Receipts	\$ 20,499	\$ 20,499	\$ 42,877	\$ 22,378
Disbursements	(76,373)	(76,373)	(53,129)	23,244
Transfers in	54,612	54,612	25,000	(29,612)
Transfers out	-	-	(9,451)	(9,451)
Net Change in Fund Balance	(1,262)	(1,262)	5,297	6,559
Fund Balance - Beginning	1,262	1,262	1,262	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,559</u>	<u>\$ 6,559</u>
<b>EMPLOYEE RECOGNITION FUND</b>				
Receipts	\$ 6,466	\$ 6,466	\$ 4,964	\$ (1,502)
Disbursements	(15,000)	(15,000)	(3,415)	11,585
Net Change in Fund Balance	(8,534)	(8,534)	1,549	10,083
Fund Balance - Beginning	8,534	8,534	8,534	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,083</u>	<u>\$ 10,083</u>
<b>LOTTERY FUND</b>				
Receipts	\$ 61,675	\$ 47,146	\$ 113,053	\$ 65,907
Disbursements	(15,000)	(471)	(6,059)	(5,588)
Transfers in	-	-	-	-
Transfers out	(185,000)	(185,000)	(53,700)	131,300
Net Change in Fund Balance	(138,325)	(138,325)	53,294	191,619
Fund Balance - Beginning	138,325	138,325	138,325	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,619</u>	<u>\$ 191,619</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>E-911 FUND</b>				
Receipts	\$ 80,350	\$ 80,350	\$ 55,794	\$ (24,556)
Disbursements	(258,300)	(258,300)	(125,003)	133,297
Transfers in	80,000	80,000	97,610	17,610
Transfers out	-	-	(21,596)	(21,596)
Net Change in Fund Balance	(97,950)	(97,950)	6,805	104,755
Fund Balance - Beginning	97,950	97,950	97,950	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,755</u>	<u>\$ 104,755</u>
<b>911 ENHANCED WIRELESS SERVICE FUND</b>				
Receipts	\$ 32,738	\$ 32,738	\$ 79,712	\$ 46,974
Disbursements	(230,000)	(230,000)	-	230,000
Transfers in	-	-	-	-
Transfers out	-	-	(97,610)	(97,610)
Net Change in Fund Balance	(197,262)	(197,262)	(17,898)	179,364
Fund Balance - Beginning	197,262	197,262	197,262	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,364</u>	<u>\$ 179,364</u>
<b>RANGE MANAGEMENT FUND</b>				
Receipts	\$ 905	\$ 905	\$ 900	\$ (5)
Disbursements	(3,000)	(3,000)	(2,127)	873
Net Change in Fund Balance	(2,095)	(2,095)	(1,227)	868
Fund Balance - Beginning	2,095	2,095	2,095	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 868</u>	<u>\$ 868</u>
<b>DISPATCH FUND</b>				
Receipts	\$ 246,501	\$ 246,501	\$ 217,500	\$ (29,001)
Disbursements	(644,055)	(644,055)	(483,057)	160,998
Transfers in	370,404	370,404	342,000	(28,404)
Transfers out	-	-	(102,388)	(102,388)
Net Change in Fund Balance	(27,150)	(27,150)	(25,945)	1,205
Fund Balance - Beginning	27,150	27,150	27,150	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,205</u>	<u>\$ 1,205</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>BUILDING FUND</b>				
Receipts	\$ 16,142	\$ 30,671	\$ 87,189	\$ 56,518
Disbursements	(87,000)	(101,529)	(101,529)	-
Net Change in Fund Balance	(70,858)	(70,858)	(14,340)	56,518
Fund Balance - Beginning	70,858	70,858	70,858	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,518</u>	<u>\$ 56,518</u>
<b>COURTHOUSE REMODELING BOND FUND</b>				
Receipts	\$ -	\$ -	\$ -	\$ -
Disbursements	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(119)	(119)	(119)	-
Net Change in Fund Balance	(119)	(119)	(119)	-
Fund Balance - Beginning	119	119	119	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>SPRING CREEK WATERSHED FUND</b>				
Receipts	\$ 17,308	\$ 17,308	\$ 17,130	\$ (178)
Disbursements	(365,000)	(365,000)	-	365,000
Net Change in Fund Balance	(347,692)	(347,692)	17,130	364,822
Fund Balance - Beginning	347,692	347,692	347,692	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 364,822</u>	<u>\$ 364,822</u>
<b>NOXIOUS WEED FUND</b>				
Receipts	\$ 103,135	\$ 103,135	\$ 81,129	\$ (22,006)
Disbursements	(224,950)	(224,950)	(168,075)	56,875
Transfers in	207,000	207,000	81,000	(126,000)
Transfers out	-	-	-	-
Net Change in Fund Balance	85,185	85,185	(5,946)	(91,131)
Fund Balance - Beginning	14,815	14,815	14,815	-
Fund Balance - Ending	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 8,869</u>	<u>\$ (91,131)</u>

(Continued)

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

For the Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>INVENTORY MAINTENANCE FUND</b>				
Receipts	\$ 83,684	\$ 83,684	\$ 118,118	\$ 34,434
Disbursements	(217,000)	(217,000)	(159,138)	57,862
Net Change in Fund Balance	(133,316)	(133,316)	(41,020)	92,296
Fund Balance - Beginning	133,316	133,316	133,316	-
Fund Balance - Ending	\$ -	\$ -	\$ 92,296	\$ 92,296
<b>HISTORICAL SOCIETY FUND</b>				
Receipts	\$ 69,412	\$ 69,412	\$ 67,156	\$ (2,256)
Disbursements	(70,000)	(70,000)	(67,221)	2,779
Net Change in Fund Balance	(588)	(588)	(65)	523
Fund Balance - Beginning	588	588	588	-
Fund Balance - Ending	\$ -	\$ -	\$ 523	\$ 523

(Concluded)



**DAWSON COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2016

	Highway Buy Back Fund	Visitor's Promotion Fund	Visitor's Improvement Fund	Register of Deeds Perservation Fund	Unemployment Compensation Fund	Parent Child Center Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ 135,708	\$ 135,708	\$ -	\$ 9,416	\$ -
Investment Income	-	-	-	-	-	-
Intergovernmental	245,379	-	-	-	759	-
Charges for Services	-	-	-	13,720	-	-
Miscellaneous	-	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>245,379</b>	<b>135,708</b>	<b>135,708</b>	<b>13,720</b>	<b>10,175</b>	<b>-</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	1,575	5,972	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	10,000
Culture and Recreation	-	106,437	82,592	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>106,437</b>	<b>82,592</b>	<b>1,575</b>	<b>5,972</b>	<b>10,000</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>245,379</b>	<b>29,271</b>	<b>53,116</b>	<b>12,145</b>	<b>4,203</b>	<b>(10,000)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	10,000
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>
Net Change in Fund Balances	245,379	29,271	53,116	12,145	4,203	-
<b>FUND BALANCES - BEGINNING</b>	<b>438,119</b>	<b>85,768</b>	<b>92,558</b>	<b>29,382</b>	<b>68,574</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 683,498</b>	<b>\$ 115,039</b>	<b>\$ 145,674</b>	<b>\$ 41,527</b>	<b>\$ 72,777</b>	<b>\$ -</b>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	-	115,039	145,674	-	-	-
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Preservation of Records	-	-	-	41,527	-	-
Bridge and Road Projects	683,498	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Unemployment Benefits	-	-	-	-	72,777	-
Miscellaneous Projects	-	-	-	-	-	-
Employee Recognition	-	-	-	-	-	-
Watershed Management	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 683,498</b>	<b>\$ 115,039</b>	<b>\$ 145,674</b>	<b>\$ 41,527</b>	<b>\$ 72,777</b>	<b>\$ -</b>

(Continued)

**DAWSON COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2016

	County Relief Fund	Institutions Fund	Veteran's Aid Fund	Veteran's Relief Fund	CASA Fund	STOP Fund	County Drug Fund	Mid-West Nebraska Drug Court Fund
<b>RECEIPTS</b>								
Property Taxes	\$ 1	\$ -	\$ 576	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	1	-	-	-	-
Intergovernmental	-	-	8	-	20,425	-	-	-
Charges for Services	-	-	-	-	-	5,900	-	-
Miscellaneous	-	-	-	-	44,531	-	4,550	30,615
<b>TOTAL RECEIPTS</b>	<b>1</b>	<b>-</b>	<b>584</b>	<b>1</b>	<b>64,956</b>	<b>5,900</b>	<b>4,550</b>	<b>30,615</b>
<b>DISBURSEMENTS</b>								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	70,558	-	-	22,218
Public Works	-	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-	-
Public Assistance	-	-	2,017	1,187	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Debt Service:								
Principal Payments	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>-</b>	<b>2,017</b>	<b>1,187</b>	<b>70,558</b>	<b>-</b>	<b>-</b>	<b>22,218</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>1</b>	<b>-</b>	<b>(1,433)</b>	<b>(1,186)</b>	<b>(5,602)</b>	<b>5,900</b>	<b>4,550</b>	<b>8,397</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	3,500	-	24,200	-	-	-
Transfers out	-	(93)	(833)	-	(9,451)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(93)</b>	<b>2,667</b>	<b>-</b>	<b>14,749</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	1	(93)	1,234	(1,186)	9,147	5,900	4,550	8,397
<b>FUND BALANCES - BEGINNING</b>	<b>-</b>	<b>93</b>	<b>1,273</b>	<b>20,035</b>	<b>65</b>	<b>3,767</b>	<b>21,237</b>	<b>18,405</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 2,507</b>	<b>\$ 18,849</b>	<b>\$ 9,212</b>	<b>\$ 9,667</b>	<b>\$ 25,787</b>	<b>\$ 26,802</b>
<b>FUND BALANCES:</b>								
Restricted for:								
Visitor Promotion	-	-	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-	25,787	-
Law Enforcement	-	-	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-	-	-
Bridge and Road Projects	-	-	-	-	-	-	-	-
Committed to:								
Law Enforcement	-	-	-	-	-	9,667	-	26,802
Aid and Assistance	1	-	2,507	18,849	9,212	-	-	-
County Buildings	-	-	-	-	-	-	-	-
Unemployment Benefits	-	-	-	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-	-	-	-
Employee Recognition	-	-	-	-	-	-	-	-
Watershed Management	-	-	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 2,507</b>	<b>\$ 18,849</b>	<b>\$ 9,212</b>	<b>\$ 9,667</b>	<b>\$ 25,787</b>	<b>\$ 26,802</b>

(Continued)

**DAWSON COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2016

	Federal Drug Forfeiture Fund	K-9 Dog Fund	Sheriff Grants Fund	SCAAP Fund	CASA Grant Fund	County Grant Fund	Victim Assistance Fund
<b>RECEIPTS</b>							
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	-	-	-	-	-
Intergovernmental	-	-	17,628	15,484	-	6,197	42,877
Charges for Services	-	-	3,360	-	-	-	-
Miscellaneous	-	883	-	-	2,450	-	-
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>883</b>	<b>20,988</b>	<b>15,484</b>	<b>2,450</b>	<b>6,197</b>	<b>42,877</b>
<b>DISBURSEMENTS</b>							
General Government	-	-	-	-	-	-	-
Public Safety	-	59	24,176	3,464	3,634	31,767	53,129
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>59</b>	<b>24,176</b>	<b>3,464</b>	<b>3,634</b>	<b>31,767</b>	<b>53,129</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>-</b>	<b>824</b>	<b>(3,188)</b>	<b>12,020</b>	<b>(1,184)</b>	<b>(25,570)</b>	<b>(10,252)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	7,401	-	-	-	25,000
Transfers out	-	-	-	-	-	-	(9,451)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>7,401</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,549</b>
Net Change in Fund Balances	-	824	4,213	12,020	(1,184)	(25,570)	5,297
<b>FUND BALANCES - BEGINNING</b>	<b>484</b>	<b>4,039</b>	<b>22,031</b>	<b>43,102</b>	<b>4,433</b>	<b>28,570</b>	<b>1,262</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 484</b>	<b>\$ 4,863</b>	<b>\$ 26,244</b>	<b>\$55,122</b>	<b>\$ 3,249</b>	<b>\$ 3,000</b>	<b>\$ 6,559</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Visitor Promotion	-	-	-	-	-	-	-
911 Emergency Services	-	-	-	-	-	-	-
Drug Education	-	-	-	-	-	-	-
Law Enforcement	484	-	26,244	55,122	-	3,000	-
Preservation of Records	-	-	-	-	-	-	-
Bridge and Road Projects	-	-	-	-	-	-	-
Committed to:							
Law Enforcement	-	4,863	-	-	-	-	-
Aid and Assistance	-	-	-	-	3,249	-	6,559
County Buildings	-	-	-	-	-	-	-
Unemployment Benefits	-	-	-	-	-	-	-
Miscellaneous Projects	-	-	-	-	-	-	-
Employee Recognition	-	-	-	-	-	-	-
Watershed Management	-	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 484</b>	<b>\$ 4,863</b>	<b>\$ 26,244</b>	<b>\$55,122</b>	<b>\$ 3,249</b>	<b>\$ 3,000</b>	<b>\$ 6,559</b>

(Continued)

**DAWSON COUNTY**  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS,**  
**AND CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2016

	Employee Recognition Fund	Lottery Fund	E-911 Fund	911 Enhanced Wireless Service Fund	Range Management Fund	Dispatch Fund	Building Fund
<b>RECEIPTS</b>							
Property Taxes	\$ -	\$ -	\$ 55,794	\$ 79,712	\$ -	\$ -	\$ -
Investment Income	-	402	-	-	-	-	-
Intergovernmental	-	-	-	-	-	217,500	36,033
Charges for Services	4,373	-	-	-	-	-	51,156
Miscellaneous	591	112,651	-	-	900	-	-
<b>TOTAL RECEIPTS</b>	<b>4,964</b>	<b>113,053</b>	<b>55,794</b>	<b>79,712</b>	<b>900</b>	<b>217,500</b>	<b>87,189</b>
<b>DISBURSEMENTS</b>							
General Government	3,415	6,059	-	-	-	-	101,529
Public Safety	-	-	125,003	-	2,127	483,057	-
Public Works	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>3,415</b>	<b>6,059</b>	<b>125,003</b>	<b>-</b>	<b>2,127</b>	<b>483,057</b>	<b>101,529</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>1,549</b>	<b>106,994</b>	<b>(69,209)</b>	<b>79,712</b>	<b>(1,227)</b>	<b>(265,557)</b>	<b>(14,340)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	97,610	-	-	342,000	-
Transfers out	-	(53,700)	(21,596)	(97,610)	-	(102,388)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(53,700)</b>	<b>76,014</b>	<b>(97,610)</b>	<b>-</b>	<b>239,612</b>	<b>-</b>
Net Change in Fund Balances	1,549	53,294	6,805	(17,898)	(1,227)	(25,945)	(14,340)
<b>FUND BALANCES - BEGINNING</b>	<b>8,534</b>	<b>138,325</b>	<b>97,950</b>	<b>197,262</b>	<b>2,095</b>	<b>27,150</b>	<b>70,858</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 10,083</b>	<b>\$ 191,619</b>	<b>\$104,755</b>	<b>\$ 179,364</b>	<b>\$ 868</b>	<b>\$ 1,205</b>	<b>\$ 56,518</b>
<b>FUND BALANCES:</b>							
Restricted for:							
Visitor Promotion	-	-	-	-	-	-	-
911 Emergency Services	-	-	104,755	179,364	-	-	-
Drug Education	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-
Preservation of Records	-	-	-	-	-	-	-
Bridge and Road Projects	-	-	-	-	-	-	-
Committed to:							
Law Enforcement	-	-	-	-	868	1,205	-
Aid and Assistance	-	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-	56,518
Unemployment Benefits	-	-	-	-	-	-	-
Miscellaneous Projects	-	191,619	-	-	-	-	-
Employee Recognition	10,083	-	-	-	-	-	-
Watershed Management	-	-	-	-	-	-	-
Noxious Weed	-	-	-	-	-	-	-
Historical Society	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 10,083</b>	<b>\$ 191,619</b>	<b>\$104,755</b>	<b>\$ 179,364</b>	<b>\$ 868</b>	<b>\$ 1,205</b>	<b>\$ 56,518</b>

(Continued)

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

For the Year Ended June 30, 2016

	Courthouse Remodeling Bond Fund	Spring Creek Watershed Fund	Noxious Weed Fund	Inventory Maintenance Fund	Historical Society Fund	Total Nonmajor Governmental Funds
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 61,930	\$ 478,845
Investment Income	-	-	-	-	-	403
Intergovernmental	-	-	33,011	12,540	5,226	653,067
Charges for Services	-	17,130	48,118	77,309	-	221,066
Miscellaneous	-	-	-	28,269	-	225,440
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>17,130</u>	<u>81,129</u>	<u>118,118</u>	<u>67,156</u>	<u>1,578,821</u>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	118,550
Public Safety	-	-	-	159,138	-	978,330
Public Works	-	-	168,075	-	-	168,075
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	13,204
Culture and Recreation	-	-	-	-	67,221	256,250
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<u>-</u>	<u>-</u>	<u>168,075</u>	<u>159,138</u>	<u>67,221</u>	<u>1,534,409</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>-</u>	<u>17,130</u>	<u>(86,946)</u>	<u>(41,020)</u>	<u>(65)</u>	<u>44,412</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	81,000	-	-	590,711
Transfers out	(119)	-	-	-	-	(295,241)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(119)</u>	<u>-</u>	<u>81,000</u>	<u>-</u>	<u>-</u>	<u>295,470</u>
Net Change in Fund Balances	(119)	17,130	(5,946)	(41,020)	(65)	339,882
<b>FUND BALANCES - BEGINNING</b>	<u>119</u>	<u>347,692</u>	<u>14,815</u>	<u>133,316</u>	<u>588</u>	<u>1,921,901</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ -</u>	<u>\$ 364,822</u>	<u>\$ 8,869</u>	<u>\$ 92,296</u>	<u>\$ 523</u>	<u>\$ 2,261,783</u>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	-	-	-	-	-	260,713
911 Emergency Services	-	-	-	-	-	284,119
Drug Education	-	-	-	-	-	25,787
Law Enforcement	-	-	-	-	-	84,850
Preservation of Records	-	-	-	-	-	41,527
Bridge and Road Projects	-	-	-	-	-	683,498
Committed to:						
Law Enforcement	-	-	-	-	-	43,405
Aid and Assistance	-	-	-	-	-	40,377
County Buildings	-	-	-	92,296	-	148,814
Unemployment Benefits	-	-	-	-	-	72,777
Miscellaneous Projects	-	-	-	-	-	191,619
Employee Recognition	-	-	-	-	-	10,083
Watershed Management	-	364,822	-	-	-	364,822
Noxious Weed	-	-	8,869	-	-	8,869
Historical Society	-	-	-	-	523	523
<b>TOTAL FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 364,822</u>	<u>\$ 8,869</u>	<u>\$ 92,296</u>	<u>\$ 523</u>	<u>\$ 2,261,783</u>

(Concluded)

**DAWSON COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2016

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent
BALANCES JULY 1, 2015	\$ 152,433	\$ 21,475	\$ 171,498	\$ 54,145	\$ 6,604	\$ 29,263
<b>RECEIPTS</b>						
Property Taxes	-	-	-	41,007	-	-
Licenses and Permits	8,697	-	-	13,325	-	-
Intergovernmental	3,045	-	-	1,415,738	-	33,000
Charges for Services	8,490	165,568	95,621	149,420	7,190	49,794
Miscellaneous	119,728	-	-	-	-	-
State Fees	-	232,387	85,670	-	-	-
Other Liabilities	-	384	787,134	488,035	6,832	-
<b>TOTAL RECEIPTS</b>	<b>139,960</b>	<b>398,339</b>	<b>968,425</b>	<b>2,107,525</b>	<b>14,022</b>	<b>82,794</b>
<b>DISBURSEMENTS</b>						
Payments to County Treasurer	129,237	165,443	95,295	1,598,229	7,121	81,118
Payments to State Treasurer	-	235,945	89,030	-	-	-
Other Liabilities	3,045	384	648,292	493,613	6,783	-
<b>TOTAL DISBURSEMENTS</b>	<b>132,282</b>	<b>401,772</b>	<b>832,617</b>	<b>2,091,842</b>	<b>13,904</b>	<b>81,118</b>
BALANCES JUNE 30, 2016	<b>\$ 160,111</b>	<b>\$ 18,042</b>	<b>\$ 307,306</b>	<b>\$ 69,828</b>	<b>\$ 6,722</b>	<b>\$ 30,939</b>
<b>BALANCES CONSIST OF:</b>						
Due to County Treasurer	\$ 8,311	\$ 10,473	\$ 11,717	\$ 61,775	\$ 5,874	\$ 30,939
Petty Cash	151,800	-	100	1,800	800	-
Due to State Treasurer	-	7,569	4,344	-	-	-
Due to Others	-	-	291,145	6,253	48	-
BALANCES JUNE 30, 2016	<b>\$ 160,111</b>	<b>\$ 18,042</b>	<b>\$ 307,306</b>	<b>\$ 69,828</b>	<b>\$ 6,722</b>	<b>\$ 30,939</b>

(Continued)

**DAWSON COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2016

	Highway Superintendent	Veterans' Service Officer	County Surveyor	County Child Support	County Planning and Zoning	County CASA	Total
BALANCES JULY 1, 2015	\$ -	\$ 1,000	\$ 6,361	\$ 1,570	\$ -	\$ -	\$ 444,349
<b>RECEIPTS</b>							
Property Taxes	-	-	-	-	-	-	41,007
Licenses and Permits	-	-	-	-	1,900	-	23,922
Intergovernmental	-	-	-	-	-	3,750	1,455,533
Charges for Services	-	-	42,489	-	-	-	518,572
Miscellaneous	21,888	2,724	-	-	-	63,657	207,997
State Fees	101	-	-	-	-	-	318,158
Other Liabilities	-	-	-	4,805	-	-	1,287,190
<b>TOTAL RECEIPTS</b>	<b>21,989</b>	<b>2,724</b>	<b>42,489</b>	<b>4,805</b>	<b>1,900</b>	<b>67,407</b>	<b>3,852,379</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	21,178	-	37,571	-	1,900	67,407	2,204,499
Payments to State Treasurer	70	-	-	-	-	-	325,045
Other Liabilities	-	2,724	-	4,875	-	-	1,159,716
<b>TOTAL DISBURSEMENTS</b>	<b>21,248</b>	<b>2,724</b>	<b>37,571</b>	<b>4,875</b>	<b>1,900</b>	<b>67,407</b>	<b>3,689,260</b>
BALANCES JUNE 30, 2016	<u>\$ 741</u>	<u>\$ 1,000</u>	<u>\$ 11,279</u>	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 607,468</u>
<b>BALANCES CONSIST OF:</b>							
Due to County Treasurer	\$ 710	\$ -	\$ 11,279	\$ -	\$ -	\$ -	\$ 141,078
Petty Cash	-	1,000	-	1,500	-	-	157,000
Due to State Treasurer	31	-	-	-	-	-	11,944
Due to Others	-	-	-	-	-	-	297,446
BALANCES JUNE 30, 2016	<u>\$ 741</u>	<u>\$ 1,000</u>	<u>\$ 11,279</u>	<u>\$ 1,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 607,468</u>

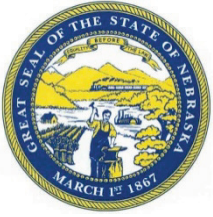
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**DAWSON COUNTY**  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED**  
**FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
June 30, 2016

Item	2011	2012	2013	2014	2015
<b>Tax Certified by Assessor</b>					
Real Estate	\$ 34,110,324	\$ 35,557,314	\$ 39,104,543	\$ 42,793,975	\$ 46,045,549
Personal and Specials	2,328,426	2,668,838	2,979,583	3,005,827	2,868,862
<b>Total</b>	<b>36,438,750</b>	<b>38,226,152</b>	<b>42,084,126</b>	<b>45,799,802</b>	<b>48,914,411</b>
<b>Corrections</b>					
Additions	112,720	21,901	14,564	624,230	111,584
Deductions	(118,770)	(65,443)	(41,500)	(91,500)	(106,582)
Net Additions/ (Deductions)	(6,050)	(43,542)	(26,936)	532,730	5,002
<b>Corrected Certified Tax</b>	<b>36,432,700</b>	<b>38,182,610</b>	<b>42,057,190</b>	<b>46,332,532</b>	<b>48,919,413</b>
<b>Net Tax Collected by County Treasurer during Fiscal Year Ending:</b>					
June 30, 2012	21,450,683	-	-	-	-
June 30, 2013	14,955,590	23,041,233	-	-	-
June 30, 2014	18,556	15,117,674	25,890,140	-	-
June 30, 2015	3,234	17,637	16,122,345	29,009,368	-
June 30, 2016	2,874	3,621	41,464	17,313,288	30,798,967
<b>Total Net Collections</b>	<b>36,430,937</b>	<b>38,180,165</b>	<b>42,053,949</b>	<b>46,322,656</b>	<b>30,798,967</b>
<b>Total Uncollected Tax</b>	<b>\$ 1,763</b>	<b>\$ 2,445</b>	<b>\$ 3,241</b>	<b>\$ 9,876</b>	<b>\$ 18,120,446</b>
<b>Percentage Uncollected Tax</b>	<b>0.00%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.02%</b>	<b>37.04%</b>

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





## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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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, 2016, and the related notes to the financial statements, which collectively comprise Dawson County's basic financial statements, and have issued our report thereon dated December 22, 2016. 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 December 22, 2016.

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

Dawson County declined to respond to the finding described above.

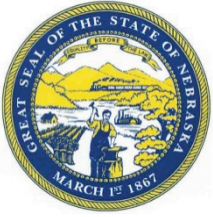
### **Purpose of this Report**

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.



Deann Haeffner, CPA  
Assistant Deputy Auditor  
Lincoln, Nebraska

December 22, 2016



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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December 22, 2016

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, 2016, and have issued our report thereon dated December 22, 2016. 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**

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. A lack of segregation of duties increases the risk of possible errors or irregularities; however, due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost. This 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 BOARD

### Incorrect Claim Payees

During our audit period, we noted two claims were paid to incorrect vendors:

- For one claim, totaling \$14,328, documentation provided to the County Board included conflicting payee information between the name on the claim form and the supporting documentation; the disbursement was paid to the name on the claim form, not the vendor to whom the money was owed. The County was notified by the correct vendor when payment was not received.
- For one claim, totaling \$334, supporting documentation included the correct vendor information; however, the disbursement check was written to an incorrect vendor. The County was notified by the incorrect vendor that no money was owed on the account.

Good internal controls and sound business practices require that policies and procedures be in place to ensure that invoices are paid to the correct vendors.

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

We recommend the County Board implement adequate policies and procedures to ensure all claims are paid to the correct vendor.

*County's Response: Have implemented procedures to assure this will not happen again.*

### Untimely Remittance of Claims

During our audit, we noted two claims, totaling \$24,471, that were not paid in the proper budget year. Both claims included invoices dated June 1, 2016, with a due date of July 1, 2016. The County Assessor submitted one of the claims to the County Board on June 28, 2016, and the other on July 1, 2016, resulting in the County Board not approving the claims until July 15, 2016.

The County Assessor's office would have exceeded its budget at the end of the fiscal year if these claims had been paid appropriately in fiscal year 2016.

Neb. Rev. Stat. § 23-916 (Reissue 2012) 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.*

Additionally, good internal controls and sound business practices require that policies and procedures be in place to ensure invoice payments to vendors are paid on time and, if possible, during the same fiscal year as the services rendered.

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

We recommend the County Board implement adequate policies and procedures to ensure all claim payments to vendors are paid on time and, if possible, during the same fiscal year as the services rendered.

*County's Response: Will meet with all elected officials/department heads to discuss that they will not hold claims.*

### **Duplicate Payment**

During our audit, we noted one instance in which the County paid for the same expense twice:

- Claim numbers 72958, dated October 1, 2015, and 73248, dated October 30, 2015, both paid Software Unlimited Corporation \$766 for annual database maintenance.

Good internal controls require a process to be in place to review all claims prior to approval to ensure the claims are supported with adequate documentation and are not duplicate payments.

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

We recommend the County Board implement a process to ensure claims are not paid twice for the same invoice.

*County's Response: We did receive refund. Will also discuss with elected officials/department heads to assure there are procedures in their respected offices to keep this from happening again.*

## **COUNTY SHERIFF**

### **Sheriff Office Accountability**

During our audit, we noted the following issues with the County Sheriff's office accountability at June 30, 2016:

- Amounts collected for fees and mileage for four months were not remitted timely to the County Treasurer; the delays ranged from 13 to 34 days after the date required by State statute.
- The County Sheriff's office was holding \$1,979 in civil fees that had been collected prior to February 2015 and not remitted to the County Treasurer. Additionally, accounting records noted a total of \$525 in accounts receivable balances that were written off as uncollectable but had been previously remitted to the County Treasurer. This resulted in a net amount of \$1,454 being owed to the County Treasurer.

- The County Sheriff maintained \$2,000 in the petty cash fund for the inmate account, but the budget message gave approval for only \$1,000.

Neb. Rev. Stat. § 33-117(3) (Reissue 2016) provides the following:

*The sheriff shall, on the first Tuesday in January, April, July, and October of each year, make a report to the county board showing (a) the different items of fees, except mileage, collected or earned, from whom, at what time, and for what service, (b) the total amount of the fees collected or earned by the officer since the last report, and (c) the amount collected or earned for the current year. He or she shall pay all fees earned to the county treasurer who shall credit the fees to the general fund of the county.*

Good internal control requires that procedures be in place to ensure all sheriff service fees earned are remitted timely to the County Treasurer, funds are held by the County Sheriff's office only with proper approval from the County Board, and accounts receivable are not written off by the County Sheriff's office as uncollectable without the County Board's prior authorization.

Without such procedures, there is an increased risk for not only the loss or misuse of County funds but also the failure to detect those errors.

We recommend the County Sheriff implement procedures to ensure the following: 1) all sheriff service fees earned are remitted to the County Treasurer, as required by statute; 2) funds held by the office are approved by the County Board; and 3) the prior authorization of the County Board is obtained prior to writing off accounts receivable as uncollectable.

## **COUNTY SURVEYOR**

### **Billing Procedures**

During our audit, we noted the County Surveyor did not keep detailed documentation to support the field and drafting hours billed. The County Surveyor failed to keep a timesheet or other record that identified both the dates and times of the specific hours worked on each individual project. We also noted one invoice in which the incorrect rate was used to bill for drafting work completed, resulting in an overpayment of \$50.

A good internal control plan requires that procedures be in place to ensure all invoices are supported by adequate documentation, especially with regard to the dates and times of the specific hours billed for each project. Those procedures should also ensure that the correct rate is charged for work completed.

Without such procedures, there is an increased risk of hours billed being challenged or improper payments being made for services – either of which could result in the loss of County funds.

We recommend the County Surveyor implement procedures to ensure all field and drafting hours billed are supported by documentation that specifies the dates and times of the hours worked on each project, and the correct rate is used to bill for services provided.

## COUNTY HIGHWAY SUPERINTENDENT

### Receipting Procedures

During the audit, we noted six checks, totaling \$1,625, that were retained in the County Highway Superintendent's office for a period ranging from 47 to 106 days after the check date before remittance to the County Treasurer.

Additionally, we noted receipts were not written for all monies received in the office, including \$1,279 that was collected and remitted to the County Treasurer.

Good internal control and sound accounting practice requires records to be kept to support fully the financial activity of the office. Furthermore, good internal control requires all funds received by the office to be remitted to the County Treasurer on a timely basis.

When payments are not remitted timely to the County Treasurer, there is an increase for the risk of loss or misuse of County funds.

We recommend the County Highway Superintendent remit checks and all money collected to the County Treasurer on a timely basis.

## COUNTY ATTORNEY

### Attorney Office Accountability

During our audit, we noted that the County Attorney failed to maintain an accurate check register and did not perform a reconciliation between the book balance and the bank balance for the funds maintained by her office. A book balance could not be readily determined at June 30, 2016, resulting in an unknown variance of \$9.52 long. The variance appears to be the result of deposits and checks not being correctly recorded in the accounting records.

Sound accounting practice and good internal controls require comprehensive, detailed reconciliation procedures to be utilized, at least on a monthly basis, to ensure proper balancing and reconciliation of the County Attorney office's book and bank balances. These procedures should also ensure accurate accounting records are kept to decrease the risk of loss or theft.

We recommend the County Attorney reconcile her office's book balance to the bank balance on a monthly basis, adequately documenting that process and following up on any variances discovered during it.

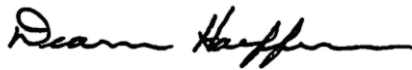
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It should be noted this report is critical in nature, as it contains only our comments and recommendations on the areas noted for improvement and does not include our observations on any strong features of the County.

Draft copies of this report were furnished to the County to provide management with an opportunity to review the report and to respond to the comments and recommendations included in this report. 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 cursive script, appearing to read "Deann Haeffner".

Deann Haeffner  
Assistant Deputy Auditor