

6-1988

A Practical Guide to Municipal Budgeting in Nebraska

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A PRACTICAL GUIDE TO
MUNICIPAL BUDGETING
IN
NEBRASKA

featuring

Legal Requirements • Practical Benefits • Financial Reports

by
John W. Swain

June 1988

Center for Applied Urban Research
College of Public Affairs and Community Service
University of Nebraska at Omaha



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ISBN 1-55719-180-8

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About the Author

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Foreword

The Center for Applied Urban Research (CAUR) is pleased to be able to make this budgeting handbook available to Nebraska's municipal officials. As the primary research and outreach unit of the College of Public Affairs and Community Service, CAUR helps fulfill the college's mission of conducting research "with emphasis upon the concerns of the public sector especially at the local and state levels."

One of the vehicles for disseminating the results of faculty research is through the development of handbooks such as this one. In the coming years, we hope to expand the number of handbooks devoted to the issues and work tasks of local government officials.

Finally, I want to thank Dr. John Swain, the author of this handbook, for taking the time to develop and summarize this important material. Dr. Swain is a frequent instructor at the Department of Public Administration's annual school for municipal clerks. I know that his explanation of budgeting requirements through this handbook will be a useful supplement to his teaching.

Russell L. Smith
Director
Center for Applied
Urban Research

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Chapter 1

Introduction

The meaning of budgeting is simple and complex. It is simple because budgeting involves making decisions about revenues and expenditures. It is complex because it has many meanings for various people.

For municipal officials in Nebraska, budgeting is a series of legal requirements imposed on them by the state. For directors of municipal departments, budgeting means determining how much money will be available to fulfill their responsibilities and to complete their projects. For the public, budgeting means paying property taxes and receiving municipal services. All of the complex meanings show that budgets represent human relationships and concerns, which are also very complex.

The primary concerns of this manual are the legal requirements for Nebraska's municipalities and the practical benefits of budgeting.

Legal Requirements

The legal requirements in Nebraska concerning municipal budgets are clear: Municipalities, with certain exceptions, must budget in conformance with state imposed legal requirements. Municipal officials are motivated by their respect for the state and its laws and by their desire to execute the public trust of office. But, if they fail to fulfill legal requirements, it may lead to negative consequences and state government efforts to force them to comply with the laws. Consequently, municipal officials regard budgets as a burdensome duty which must be fulfilled.

This negative approach to budgeting can be lightened somewhat by the realization that the legal requirements are not meant to be pointless and, therefore, often serve legitimate purposes. Also, budgets can serve practical purposes and are not simply paper exercises.

This manual explains the legal requirements and how to fulfill them and explains how budgets can serve practical purposes. The legal requirements exist to guard the public's resources, to provide public accessibility to information so that municipal officials can be held accountable for their decisions by their constituents, to require sound administrative practices, and to provide information for state offices.

All of the reasons for municipal budgeting are contained in the following statement of purpose:

The purpose of this act is to require governing bodies of this state to which this act applies to follow prescribed budget practices and

procedures and make available to the public pertinent information pertaining to the financial requirements and expectations of such governing bodies so that intelligent and informed support, opposition, criticisms, suggestions, or observations can be made by those affected (Statutes of Nebraska, Sect. 23-921).

Practical Benefits

Besides the legal requirements imposed on municipalities, there are several practical benefits of budgeting for municipalities and municipal officials, including:

- Public accountability,
- Public relations,
- Control,
- Management,
- Planning, and
- Policymaking.

Each of these benefits will be discussed to show that budgeting can work for municipalities and municipal officials. It is not realistic to expect that all municipal officials will always derive all of these practical benefits; however, a few may serve a municipality and municipal officials well in their circumstances. Hopefully, your municipality will benefit from at least one of these practices.

Public Accountability. By producing budgetary documents that show how much money will be collected from various sources, including property taxes, and how much money will be spent, public officials fulfill their accountability to the public. This public accountability is a requirement for popular government. It gives the public a basis for judging political actions.

For example, based on budget information, citizens can determine whether they should contact their elected municipal representatives to request more road grading or water lines, whether they should support candidates for office, and whether they should run for public office. Without public accountability of government finances through annual budgets, it is hard to imagine popular government operating in the United States. Public accountability in public finance extends from the smallest government to the largest. This serves the municipality by providing a basis for popular government through public involvement.

Public Relations. By producing budgetary documents, municipalities and their officials can relate better to the public. Frequently, budgetary

information can help form a positive image of municipal operations. It can be used to show the low cost of municipal government and services provided.

Municipalities usually are much less of a burden on citizens than counties or school districts. Budgetary documents can be used to show what citizens receive for their hard-earned tax dollars.

Municipalities are often seen as taking a lot of property tax money and not providing many services. This false impression can be corrected easily with budget information. Municipal officials can issue press releases to the media to show the costs and benefits of municipal government. Even where media coverage is not available, municipal officials can use budget information to silence critics who are ill-informed about municipal government costs and services.

Control. Budgets can be used to control municipal operations by serving as annual action plans for municipal officials to follow. By specifying in a budget how money will be spent, municipal officials can regulate or control the actions of the municipality. This is done by specifying items to be purchased; organizational units, which usually imply the purpose of the expenditures; and the funds for expenditures. Control of money is the key to control of municipal operations, and it should not be underestimated, particularly in small municipalities.

Management. Budgets can be used to make managerial decisions. By knowing how much money is available to spend, officials can determine which course of action to take to get the best results for their money. This is not easy, but it is possible with budget information because the limits on funding are critical to determining the most efficient options.

Planning. Budgets facilitate planning. By planning for one fiscal year, it is possible to start making multi-year financial plans. Usually, because of the expense involved, certain expenditures cannot be made using revenues from only one budget year without causing great difficulties. These expenditures generally include spending on buildings; other physical facilities; and heavy equipment, such as fire engines and road graders. Public officials usually have three choices for making such expenditures: They can accumulate the money, they can borrow the money, or they can use some combination of the two. Multi-year financial plans enable officials to seek advantages in paying for capital expenditures, to make gradual shifts in services, and to pursue economic development strategies. Budgeting can contribute to other planning efforts, and it can help public officials develop planning skills.

Policymaking. Budget information can contribute to decisionmaking and policymaking. Municipal officials must establish policies, such as service

levels or service plans, including support for the local volunteer fire department and how often to treat unpaved streets. By focusing on the amount of money available, municipal officials make decisions based on the budget rather than the merits of a program. This approach eliminates some options and makes compromising easier.

Chapter 2

Legal Requirements

This section provides information about the legal requirements for municipal budgeting in Nebraska by giving:

- An explanation of the impact of the law on municipal budgeting,
- A list of legal requirements and their statutory citations,
- A calendar of legal requirements, and
- Detailed explanations of legal requirements and forms.

The impact of the law is threefold. It dictates that some things must be done, some may not, and some are allowed. Combinations of these commands are often found in law, but the impact of all laws can be found in these three commands.

Law enforcement occurs when someone violates a law and someone else acts to enforce the law. There are institutions for law enforcement and law judgments. Basically, law enforcement involves public officials taking legally prescribed actions to force compliance with laws or to penalize violations of the law. These actions are called legal remedies. Courts of law are used when legal interpretations are required by law or by disagreement between people.

Laws are difficult to read and understand because they are technical and have been developing for hundreds of years. American law is derived from the English common law tradition. The terms and forms used have acquired precise technical definitions over centuries and have stood the test of time in legal proceedings.

Lawyers are specialists in law and should be consulted whenever a serious matter of law is at issue. This manual presents only the basic legal requirements for municipal budgeting and is not definitive. If legal issues arise, it is best to consult a municipal attorney.

Municipalities in Nebraska get their authority to act from the state constitution and city charters, or laws generated by the Unicameral. Their power to act is limited by what is granted specifically in the state constitution, state statutes, or local charter provisions. These laws also restrict municipalities and impose responsibilities, particularly in the area of budgeting.

Just as the Unicameral has passed laws affecting municipal budgeting in the past, it will pass laws in the future that will change and expand laws. The legal requirements discussed here are current, but the Unicameral may change them at any time. Therefore, one should be aware of legal changes.

The Office of the Auditor of Public Accounts, which handles municipal budgeting forms and audits for the state, provides information about budgeting requirements. The telephone number is (402) 471-2111.

Staff legal assistance is available for members of the League of Nebraska Municipalities, and the *Nebraska Municipal Review*, published monthly by the league, is an excellent source of information about changes in laws or procedures that affect municipal budgeting.

State Mandated Legal Requirements and Citations

Legal requirements mandated by the state of Nebraska for municipal budgets are found in state laws, statutes, or regulations based on state statutes and issued by the Auditor of Public Accounts. Municipalities also may have self-imposed legal requirements, which will not be discussed here. In this section, the state mandated legal requirements are listed with their legal citations so that readers can find the original laws and determine if changes have been made.

The numbers listed under the legal citation in figure 1 refer to the Nebraska state statutes by reissue. The statutes are usually subdivided at four levels: Chapters, articles, sections, and subsections. Chapters are the initial level of division. The numbers before the dash are the chapter numbers, for example, 23-. The chapters are divided into articles. The first number after the dash in a three-number series or the first two numbers after the dash in a four or more number series after the dash indicates the article number. For example, 9 is the article number in the series -921, and 19 is the article number in the series -1921.

Articles are then divided into sections. The numbers after the article number, usually starting at 01, are the section numbers. Sometimes sections are divided into subsections that are indicated by sequential numbers within parentheses, such as, (1), (2), and (3). For example, 23-921 (1) is the first subsection within article 921 of chapter 23.

Other numbers or features occasionally appear in statutory citations. These appear as a decimal after an ordinary citation or a number after a comma. Examples are 23-921.01 and 23-9,101. In the first example, 23-921.01 follows 23-921 and precedes 23-922. The decimal indicates its position. In the second example, 23-9,101, which is rare, an article has been inserted between a series of article numbers. In our example, the citation indicates the first section of article 9,1 (section number 9,101), which is the article that follows article 9 and precedes article 10 in chapter 23. Throughout this manual, references to the Statutes of Nebraska will be cited as follows, which represents chapter 23, article 921 (23-921).

Figure 1
List of State Mandated Legal Requirements
and Citations, Nebraska, 1988

Number	Legal Requirement	Legal Citation
1	To budget: General First-class cities Second-class cities and villages	23-921 and 23-932 16-704 17-706 and 17-708
2	To file a proposed budget statement with clerk	23-923 and 924
3	To give public notice of a proposed municipal budget	23-925
4	To give public notice of a municipal budget hearing	23-925
5	To give public notice of the meeting where budget decisions are made (general public meeting law)	84-1408 to 1414
6	To pass an appropriations ordinance before spending money: First-class cities Second-class cities and villages	16-501 and 16-704 17-708 and 17-706
7	To budget supplementally (To change budget during fiscal year, if the need to spend money is different than originally budgeted)	23-928 and 23-929
8	To file an adopted budget statement with the auditor of public accounts	23-927
9	To certify the property tax levy to the county clerk: General First-class cities Second-class cities and villages	77-1612 16-702, (2) 17-702, (1)
10	To spend budgeted monies properly: (within the budget) General First-class cities Second-class cities and villages	23-928 16-706 and 718 17-708, 709, 711 to 715
11	To file an audited annual financial report with the auditor of public accounts	19-2901 to 2909

The requirements must be completed within particular time periods. The dates and times are listed in figure 2.

Figure 2
Calendar of Legal Requirements, Nebraska, 1988

Legal requirement	Corresponding number from figure 1	Date required
To fill out budget forms:	1	
• Proposed budget statement filed with clerk	2	August 1
• Notice of proposed municipal budget to public	3	and
• Notice of budget hearing to public	4	at least 5 days prior to hearing
• Notice of public meeting to public	5	Designated by public body
• Pass appropriations ordinance First-class cities	6	Last quarter of fiscal year (May 1 to July 31)
Second-class cities and villages		On or before August 15
• Notice of levy to county clerk	9	August 1
• Notice of adopted budget statement to Auditor of Public Accounts	8	August 25
• Supplemental budget decisions	7	Follow time requirements before meetings and hearing notices, rather than specific dates and filing requirements for supplemental budgets without deadlines
• Emergency transfer of funds		Meeting notice requirements
• Supplemental budget		Notice of proposed budget and budget hearing to public at least 5 days before hearing, and file supplemental budget with County Clerk and Auditor of Public Accounts
To spend money from budget properly	10	August 1 to July 31
To file an audited annual financial report with the Auditor of Public Accounts	11	January 31

Many of these activities may overlap because different budgets are being prepared at the same time. A municipality always operates under a budget, that is, executes a budget. One budget is being prepared, while another is being executed. Later in the budget cycle, one budget is being audited while the succeeding one is being executed. All budgets follow one another on the same cycle of preparation, legal approval, execution, and audit.

Because municipal officials handle different budgets at the same time, it is necessary to give the budgets names that allow us to tell one budget from another. The name of a budget is usually a year or fiscal year, which refers to the period during which the budget is to be executed. The year specified is the one in which the budget execution ends. For example, a budget to be executed from August 1, 1988, to July 31, 1989, is referred to as the 1989 fiscal year budget, the 1989 budget, or the FY-89 budget.

Detailed Legal Requirements and Forms

The detailed legal requirements and forms may appear overwhelming at first, but they can be mastered one step at a time. The terminology is explained as it is introduced. If necessary, ask someone in a relevant office for assistance. It is helpful to read all of the requirements to see how they relate to one another before starting.

Requirement to Budget

All municipalities in Nebraska are required to follow prescribed budget practices and procedures. The exceptions are home rule charter cities and municipalities that have budgets of less than \$5,000 (23-921 and 23-932).

There are requirements to provide notices and to file forms by particular dates; consequently, a municipality must have information available. The best way to do this is to prepare a municipal calendar with budgeting deadlines that precede the state's deadlines. The most important consideration is to set up a reasonable schedule and follow it. Figure 3 provides a sample calendar.

This schedule may require adjustments to coincide with the schedules of council or board meetings in some municipalities. The key date is the budget hearing date, which must precede August 1 sufficiently so that the property tax levy can be filed with the county clerk by August 1.

Figure 3
Proposed Municipal Calendar of Budgeting Events

Date ¹	Item
June 1 to 15	Request for proposed expenditure and revenue estimates to department and office heads
July 1	Proposed expenditure estimates to designated executive official (clerk, mayor, or chair)
July 8	File proposed budget statement with clerk; provide notice of proposed municipal budget to public; provide notice of budget hearing to public; and provide notice of public meeting
July 22	Hold budget hearing or council or board meeting; pass appropriations ordinance; and levy taxes
July 25	Certify levy and file with county clerk; file adopted budget statement with auditor
July 31	End fiscal year
August 1	Begin fiscal year
September 1	Obtain audit agreement
December 1	Submit audited annual financial reports to Auditor of Public Accounts

¹All dates are earlier than those prescribed by the state.

Estimates

As the schedule shows, the estimates of expenditures and revenues for the upcoming fiscal year must be gathered. This can be done by the clerk, treasurer, or chief executive (mayor of a city or chair of the board of trustees of a village). The chief executive or the legislative body may include instructions concerning the projected use of the expenditures, for example, to minimize expenditures or to improve the quality of life for citizens.

The best way to collect information is to use prepared forms. In the following sections, various types of budget estimate forms and their uses are discussed.

AP and CV Forms

The auditor of public accounts requires budget forms for Nebraska municipalities for proposed and adopted budget statements. The forms are AP (all purpose) and CV (city and village) and may be obtained from the county clerk. (Examples are found in appendices A and B, respectively.) The forms differ in the way information is organized and in the way property taxes are levied.

The AP form presents the various aspects of a municipality in an interconnected way, which is how most municipalities are run, and has only one property tax levy. It was introduced to simplify budget preparation, which it does. It treats all municipal operations as if they were in one fund, and requires information for only one property tax levy. (Fund refers to an accounting category. For example, municipalities are required to have a street or road fund to account for financing of streets and roads.) The AP form, based on 19-1309 to 1312 of the state statutes, is recommended by the League of Nebraska Municipalities.

The CV form shows a municipality as a collection of accounting funds and has several property tax levies. The CV form is older than the AP form and represents specific property tax levies that are used for specific purposes. Consequently, the CV form requires more municipal accounting funds.

If the AP form is used, the first subdivision of estimates is organizational unit, for example, the police department and clerk's office. If the CV form is used, the first subdivision is fund, and the second is organizational unit.

The AP form is easier to use and, therefore, recommended. There are two reasons to use the CV form. First, it is familiar, and second, the municipality would exceed the property tax levy limit for the all purpose levy. Because the AP form is easier to use, it appears to be preferable to the CV form. If an all purpose levy can be used, there is no reason to get information on all of the specific property tax levy limits such as fire departments (18-1201); libraries (17-967); and heat, light, and ice (19-1403). Usually, an all purpose levy will not exceed the limit because the limit is 25 mills for first-class cities and 30 mills for second-class cities and villages with bonded indebtedness and judgments outside of the levy limit, along with police and fire pensions for first-class cities. Also, there is a procedure for exceeding the levy limit.

Regardless of the budgeting form used, municipalities must use accounting funds as specified by state law. For example, municipalities must have a street or road fund to account for state aid for streets.

Details can vary when estimating expenditures and revenues and filling out budget forms. However, always remember to have the budget estimate worksheets signed by the person who is responsible for submitting them.

For beginners, it is best to start with minimal information for the initial estimates and gather more information later. Preparers of budget estimates can respond to written questions prior to the public budget hearing or during the public budget hearing. The minimum amount of information needed can be obtained by photocopying the forms provided by the auditor for the proposed and adopted budget statements and then using these forms to gather budget estimates. If more information is needed, it can be specified in other budget estimate forms, or it can be gathered another way.

After collecting the budget estimates, the clerk or treasurer compiles totals to fill out the proposed budget statement, or the chief executive official makes appropriate adjustments to produce a budget that reflects the executive's viewpoint.

Proposed Budget Statement

The proposed budget statement is developed before the public notice and budget hearing, and the adopted budget statement is entered after the public hearing and legal approval by municipal authorities. Information in the proposed budget statement is used to prepare the adopted budget. If no changes are made to the proposed budget at the budget hearing, the proposed budget statement and the adopted budget statement are identical. Consequently, if there are changes in the budget, the information will be different in the proposed and adopted budget statements.

The same forms are used for the proposed and the adopted budget statements. It is easiest to keep the original form blank and to fill out photocopies. The required information can be gathered from the last two fiscal year audits, current year budgeting and accounting reports, and budget estimates.

It is important to remember that the terminology on the budget forms, such as fund and revenue, can be misleading. The word fund is particularly difficult because it means different things in different places. Rather than attempt to understand the underlying meanings of the terms, it is easier to follow the directions in specific sections of the forms.

The AP budget form is explained first because it is used more frequently. An explanation of the CV form follows. (If the explanation of the AP form is difficult to understand, check the explanation for the CV form. It may be easier to understand because it describes the situation before the AP form was devised.) Note that both proposed budget statements should be prepared and filed with the municipal clerk by August 1.

Chapter 3

Budget Form AP

The State of Nebraska-Budget Form AP (Statutes of Nebraska, revised 1-29-87) is presented in appendix A. The form was current when this manual was published and will probably remain so for some time. When the forms change, the basic features will probably remain the same. The form is described and referred to by page and line numbers so that examples can be discussed in the text and followed on the form. The form contains the following pages:

- Cover page, with a checklist and instructions;
- Instructions for completing fund budget pages;
- Fund summary (followed by an explanation and a worksheet);
- General all purpose fund and certification of tax;
- General obligation debt service fund;
- Special assessment debt service fund;
- Accumulating schedule;
- Detail sheet for the general all purpose fund; and
- Special instructions.

The AP form consists of six basic parts. First, the accumulating schedule (pages 9 and 10) and the detail sheet (page 11) are used to record detailed expenditure information. Second, the completed accumulating schedule and detail sheet are used to fill out the general fund budget statement (pages 4-6). Third is the general obligation debt service fund (page 7), and fourth is the special assessment debt service fund (page 8). These two forms can be completed in any order. Fifth, the fund summary (page 3) is used to show the totals of the three funds (that is, expenditures, revenues, and ending fund balance). Sixth, the cover page is filled out last because information from the other pages is needed. Although the form is long, completing it is not difficult if you have sufficient time, accurate information, and assistance, if needed.

The three listed funds do not reflect most municipalities' accounting systems. All expenditures, except general obligation and special assessment debt expenditures, are listed on the accumulating schedule and general fund statement pages. Consequently, most of a municipality's accounting funds are included in this category. General obligation debt and special assessment debt may be in the same fund, or in two separate funds in the municipal accounting system, but are always separate categories on the budgeting forms.

For our purposes, five types of debt are included in municipal accounting systems: Debt acquired on a short-term basis for a general operating fund;

short- or long-term debt for enterprise funds (for example, water, sewer, or electrical fund); reciprocal interfund transfers; general obligation debt; and special assessment debt. The first three kinds of debt are included in the general fund budget statement and are not included in the general obligation or special assessment debt fund categories.

Short-term debt means debt of less than 1 year or indeterminate maturity. The money can be repaid within 1 year. This kind of debt takes the form of registered warrants or bank loans. Short-term debt would be found in the following funds: General, police, fire, library, and streets. Short-term debt makes it possible for a fund to continue to operate over a period when it has an insufficient balance to meet expenditures. The debt is a liability of a particular fund and not a general obligation debt.

Any debt of an enterprise fund is usually included in the enterprise fund and not paid out of general revenues. While there are special cases when general revenues are used to pay for enterprise fund debt, usually it is not done by transferring the debt to the general obligation debt fund.

Reciprocal interfund transfers are temporary loans between funds. The fund from which money is borrowed shows the borrowing as an asset, while the fund into which the money is deposited shows the borrowing as a liability. The first three kinds of debt are found in the general fund budget statement pages and not with the other two kinds of debt. General obligation debt is a shorthand way of saying general obligation long-term debt. Usually, this is bonded debt and is maintained in a separate fund that is used to account for debt payments and levels.

Special assessment debt arises from special assessment projects but is not general obligation debt. It is partially the debt of the property owners who have benefited by the improvement project. It should be, but often is not, in a separate fund. These two kinds of debt are included on the two other fund pages and will be discussed later.

Information on estimated expenditures and revenues from operating agencies other than the clerk's or treasurer's office must be available before any of the forms can be filled out. This information can be entered on the accumulating schedule pages, the detail sheet, or both.

Use of these forms is not required, but the information has to be gathered in some way. Because these forms include the same information in different ways, it is easiest to use only one, and the accumulating schedule is a little easier to use. Leave the general obligation debt service and special assessment debt service categories blank on the accumulating schedule form. It is not necessary to use these categories now, and it is easier to enter the required information onto the general obligation debt service and special assessment debt service pages.

Accumulating Schedule

The accumulating schedule for expenditures (pages 9 and 10) shows functional or subject areas on the left side of the form and specific breakdowns for the column headings across the top. Expenditures are divided into categories, such as public works and public health-safety, and subcategories, such as fire department and police department. The detail sheet (page 11) provides additional explanations for understanding the categories.

The column headings indicate the types of expenditures. These categories include personal services (should be personnel), operating expenses, supplies, equipment rental, capital outlay, and debt servicing. Fill out this form by putting information in the correct line and column box. For example, enter the fire department operating expenses on the row for fire department and in the column for operating expenses.

The form is arranged for addition horizontally across the functional or subject categories, such as police department, and vertically in the columns for general categories. This may sound difficult, but it is not. The following example may help.

Columns	(1)	(2)	(3)	(4)
				Line Totals
Lines				
Category				
1.	a	b	c	d
2.	e	f	g	h
3. Column total:	i	j	k	L

In this example, a, b, and c are added together to produce d; e, f, and g are added to produce h. When column figures are added together, a and e provide total i, b and f equal j, and c and g equal k. The line totals d and h; the column totals i, j, and k; or both sets are added together to derive total L. It is best to add both the line and column totals to crosscheck addition. If the line and column totals are not the same, there is an error in addition.

Except for the general obligation and special assessment debt lines on the accumulating schedule, which are addressed later, the number of accounting funds in a municipality does not matter. All expenditures, except the specific debt expenditures noted, can be shown on the accumulating schedule. The debt category information may be entered at the same time. The debt fund forms are explained later, with information about how the accumulating schedule can be used.

Many of the category totals in the accumulating schedule show where the information will be entered on the general fund budget statement. For

example, "To 4 2" in column (page 9, appendix A), refers to page 4, line 2 of the general all purpose fund form. After the general expenditure information has been entered on the accumulating schedule, the general all purpose fund form and the certification of tax form may be filled out.

General All Purpose Fund

The general all purpose fund forms (pages 4-6) and the general obligation debt service fund form have the same format and differ only in specific expenditure and revenue information. At the top of the general all purpose fund form there are blank spaces where the name of the municipality and county must be entered.

The form includes line numbers on the left and column headings across the top. A table for property tax information is included at the end of the form. The items listed include expenditures, cash reserves, requirements, revenues, transfers, balance forward, property tax recap table, and various totals.

The five columns, numbered 1 through 5, show dates, such as 8-1-86 to 7-31-87. The columns represent four fiscal years. Columns (1) and (2) represent the two immediate past fiscal years. (It is possible to transfer column (2) from the immediate past year's budget forms to column (1).) Column (3) represents the current fiscal year, and proposed budget information is entered in column (4). Column (5) is used later for budget information.

The information for the first two columns of the form comes from audited annual financial reports for audited entities or from the unaudited statement of cash receipts and expenditures for unaudited villages. It is necessary that the years listed on this statement match the years specified on the budget statement forms. If your municipality does not have forms from previous years on file, copies can be obtained from the Office of the Auditor of Public Accounts.

Column 3 contains current information, that is, financial information about the current fiscal year, including financial forecasts for the current year. This is a combination of actual information, such as specific revenues, and predictions or estimates, such as particular expenditures. The estimated figures are important because they relate to the proposed budget information and because they are used to determine how much cash will be available during the current year and the effect of cash flow on the level of taxation for the next fiscal year.

The proposed budget statement is found partially in the accumulating schedule and in other sources that are discussed later. Information for the adopted budget statement is developed in the same way as that for the

proposed budget statement, except the adopted statement reflects official action by the municipality's governing body.

One simple rule can help with all estimates: Estimate in the direction that will cause the least problems. Estimate conservatively for revenues and liberally for expenditures. The only embarrassment that could result from a mistake is a little extra money in the municipal accounts. If there is an excessive amount of money in the municipal accounts, then budget differently.

The general all purpose fund form is divided into the following areas:

- Expenditures,
- Revenues,
- Computations, and
- Property tax requirement computations.

Expenditures Section. The expenditures section of the general all purpose fund form (page 4, lines 1-14) lists the expenditures categories found on the accumulating schedule, transfers, total expenditures, necessary cash reserve, and total requirements.

The transfers line refers to transfers made from the general fund to the general obligation and special assessment debt service funds. A transfer here means that the transferred money will not be paid back into one of the general funds. This practice is not recommended.

Total expenditures appear on two lines, one for the current year and the past 2 years (total expenditures) and one for the proposed and adopted budget (total budget of expenditures). Both are totals of actual or estimated expenditures for the fiscal year involved.

The necessary cash reserve is the amount of money that a municipality must have in its accounts at the beginning of the fiscal year to be able to meet its expenditures until revenues become available, especially property taxes in September. The cash reserve for the 2 past and the current fiscal years is a matter of record but is not required on the budget form. The necessary cash reserve for the proposed budget statement is an estimate of the cash reserve required for the following fiscal year (the year following the one being budgeted).

To have a cash reserve at the end of the budgeted fiscal year for the next fiscal year, it is included in the budgeted fiscal year computations. The cash reserve for a budget year is limited by state law (23-923). It may not exceed more than 50 percent of total expenditures minus expenditures for capital outlays. For example, total expenditures of \$100,000, minus capital outlay expenditures of \$20,000 = \$80,000 x 50 percent = \$40,000 maximum cash reserve.

The principle here is that municipalities should not acquire excessive cash reserves by taxation. The only legitimate reason for accumulating large cash

reserves, beyond those needed to start the fiscal year, is to pay for future capital expenditures. Otherwise, there is no need for a huge cash reserve. Estimate liberally, but within reason, because it is better to have a little extra cash reserve than not enough money to pay the bills before the property tax revenues become available.

The final line in the expenditures section is total requirements, which is the sum of all the money needed for these funds. This amount is computed by adding the total expenditures and necessary cash reserve lines. It is used later in the computation section of the form.

Revenues Section. The revenues section appears on pages 4-6 (lines 15-90) of the general all purpose fund form. It includes asset account balances, revenues by source, transfers, and totals. Note that most of the property tax entries are not included in this section of the form.

The asset account balances include net cash balance, investments, and county treasurer's balance on August 1 of the specified fiscal year. The net cash balance shows the municipality's bank accounts that are immediately accessible, such as checking, warrant, savings, or NOW accounts. These balances are computed by adding the balances in the municipality's records. For previous years, the figures can be exact, but for the proposed budget year, the figure is based on estimates of remaining expenditures and revenues. Therefore, for the current fiscal year, the budgeted and actual expenditures and revenues are reviewed to determine the final cash position of the municipality. This can be important to the cash reserve position of the municipality. If this line shows a large cash balance, it may indicate an excessive cash reserve for the upcoming budget year. The law limits only budget statements on cash reserves and not cash or other asset balances (23-923). However, an excessive cash balance may cause the auditor's office to examine cash reserves.

Investments (line 17) refers to the amount of money in investments, that is, money that is not currently available to the municipality. This line balance (the principal amount of the investment) is the same as the balance shown in the municipality's ledgers, that is, the amount the municipality put into the investment and not the value of the investment. The return or interest is included in interest on investments (line 46, page 5). Common investments are certificates of deposit and U.S. Treasury bills.

The county treasurer's balance (line 18) is a tricky asset account line because it can easily include funds from three categories. The county treasurer holds municipalities' money for the payment of some bonds under state laws but may hold other municipal monies for other reasons. The category in which the money is held by the county treasurer is important. If the money is for general obligation debt or special assessment debt, it is entered on those fund category statements. If the revenue is to be collected by

the municipality or spent by the county for general operating funds, which includes the enterprise funds, it is entered on the general all purpose fund form.

Most of the lines in this section relate to revenues. These are revenues that have been received during the current or immediate past years and estimated revenues for the current fiscal year. Some revenues may be estimated by operating officials. It is better to be safe than sorry when estimating. Estimate revenues conservatively. The basis for estimating revenue sources is experience and special information, such as information released by the League of Nebraska Municipalities concerning state aid monies.

Transfers (line 89, page 6) are similar to transfers in the expenditures section. It includes transfers from the general obligation and special assessment debt service funds into the general fund category which are not to be paid back. This is unlikely to happen.

Lines 50, 51, and 52 (page 5) can easily cause difficulties. Special assessments and assessment interest are revenues to the special assessment debt service fund and not the general all purpose fund. These two lines should, and may in the future, appear in the revenues section of the special assessment debt service fund.

Registered warrants are very tricky and should be properly attributed to a fund. If they are used to pay special assessment bills or construction bills that will be funded by bonds, they are not general fund registered warrants. General obligation debt, whether warrants or bonds, is accounted for in the general obligation debt service fund. Special assessment debt is properly accounted for in the special assessment debt service fund.

Registered warrants are short-term debt that are recorded as revenue, because a municipality, in effect, can make forced loans. Someone is paid with a warrant, and when it is registered, the holder of the warrant loans money to the municipality. This is counted as revenue to show that the municipality has purchasing power to fund its operations. The money revenue is the money not yet collected by the warrant holders that has been spent. Also, it has to be recorded as revenue to make the fund balance. Otherwise, the fund might show deficit spending. Total expenditures must be balanced by revenues, and registered warrant expenditures must be balanced by registered warrant revenues.

Line 90 (page 6) is the total of the balances of the asset accounts, revenues, and transfers. It is labeled "Total Lines 19-89" but should be "Total Lines 16-89." It is necessary to include the account balance lines (lines 16-18) to make the form balance. This is a typographical error; all of the other forms include the balance lines in the total line.

Computations Section. The computation section of the general all purpose fund form is found on page 6 (lines 91-94). The lines list property taxes, total revenue available, less: expenditures, and balance forward (should be balance forwarded).

Property taxes (line 91) can be taken from historical records for the current and past years and computed for the budget year. To compute the property taxes that a municipality requires for its budget, subtract the total balances, revenues, and transfers lines from the total requirements line of the expenditures section. In appendix A, line 90 is subtracted from line 14. The remainder is the amount required in property tax receipts for the proposed budget and is entered on line 91.

To clarify, the total requirements line is the amount of money the municipality will need to operate based on the funds recorded on the general all purpose fund form. The total of balances, revenues, and transfers is the total amount of money available to the municipality based on estimated balances, transfers, and revenues other than property taxes.

The total revenue available (line 92) is the sum of the total balance, revenue, transfers, and property taxes. It is also the same amount as the total requirements line at the end of the expenditures section. To comply with state laws concerning balanced budgets, the total requirements line must equal the total revenue available line. This is stated clearly in the statutes:

Budget Statement; estimated expenditures; unencumbered balances; estimated income. The estimated expenditures plus the required cash reserve for the ensuing fiscal year less all estimated and actual encumbered balances at the beginning of the year and less the estimated income for all sources other than taxation shall equal the amount to be received from taxes, and such amount shall be shown on the proposed budget statement filed pursuant to section 23-923. The amount to be raised from taxation, as determined above, plus the estimated revenue from sources other than taxation and the unencumbered balances shall equal the estimated expenditures, plus the necessary required cash reserve, for the ensuing year (Statutes of Nebraska, Sect. 23-924).

Lines 93 and 94 (less: expenditures and balance forward) are used for the past and current fiscal years and not for the fiscal year being budgeted because the budget is supposed to be balanced. For past fiscal years, the total of expenditures is entered as less: expenditures (line 93) and that amount is subtracted from the total revenue available (line 92). The remainder is recorded as balance forward (line 94). An example follows:

Line Number	Amount
90. Total Lines 19-89 (should be lines 16-89)	\$ 10,000

The sum of the balance, revenue, and transfer lines, revenues section

91. Property Taxes \$ 90,000
The difference between the total requirements line (\$100,000) and the total balance, revenue, and transfer lines (\$10,000)
92. Total Revenue Available \$100,000
The sum of the total balance, revenue, transfer, and property tax lines, and the same amount as the total requirements line

(For current and past years:)

93. Less: Expenditures \$ 90,000
Actual or actual plus estimated expenditures
94. Balance Forward \$ 10,000
Actual or estimated for current year, which equals the sum of balance accounts in the next fiscal year

For the current year, the balance forward line reflects last year's estimate of necessary cash reserve. If the figure is high, it may lead to scrutiny of the cash reserve estimate. Also, the balance forward for the current fiscal year should be equal to the sum of the asset account balances for the proposed budget year. If not, the addition is incorrect or the wrong numbers are being used. The balance forward amount exists only if it is estimated to exist as assets.

Property Tax Requirement Computations. The property tax requirement computations section, labeled property tax recap (page 6), is computed only for the proposed and adopted budget columns. This section is located at the bottom right corner of the form. It is a part of the computations for determining the levy needed to produce the amount of property taxes listed in the previous computation section of the form because all property taxes levied are not collected by municipalities. The lines in the table include the amount of property taxes, the county treasurer's commission, an allowance for delinquency, and the total property tax requirement. Instructions are provided beside the table.

The first amount of property tax is transferred directly from the computation section (line 91) for the proposed budget year. This is the amount the municipality wants after appropriate adjustments.

The county treasurer's commission is the first adjustment to make. For a municipality to help cover the costs of administering the property tax, the county treasurer deducts a fee of 1 percent of the property taxes collected.

To find this amount, move the decimal point two places to the left in the figure on the first line of the table. For example, if the property tax amount equals \$100,000, the county treasurer's commission equals \$1,000. It is a little easier to do this than to multiply by .01.

The second adjustment is for delinquent property taxes, and it is tricky to determine. Some people will not pay property taxes during a given year. Some of this money will be lost because property taxes and the penalties on late payment will exceed the amount gained from foreclosure. Other delinquent property taxes will be paid in future years.

When the local economy is improving, the delinquency rate for payment will be relatively low, and the rate of repayment of previous years' delinquent property taxes will be relatively high. When the local economy is declining, the delinquency rate for payment will be relatively high, and the rate of repayment of previous years' delinquent property taxes will be relatively low.

In Nebraska, delinquent property tax losses are shared by all property tax entities in a county. Consequently, if the delinquency rate in a county is 1 percent, all of the levying jurisdiction share the loss of 1 percent, regardless of where the property with delinquent taxes is located in the county.

To provide for this, each property tax entity makes an allowance for property tax delinquency. The actual delinquency rates may be obtained from the county treasurer. An estimate of delinquency for the budget year can be made after obtaining the most recent figures on delinquency at the county level. An adjustment to the delinquency rate of the previous year can be obtained by noting the general economic conditions in the county.

If economic conditions seem to be improving, a delinquency rate estimate that is lower than the previous year can be used. If economic conditions seem to be deteriorating, a higher delinquency rate estimate can be used. The rate can be no higher than 5 percent above the delinquency rate of the previous year. It is better to be slightly high with the estimated delinquency rate than it is to be low. A slightly high rate is bankable money; a slightly low rate is lower reserves, reduced expenditures, short-term debt, or unpaid bills. Next, an appropriate delinquency rate and the amount of property tax required is multiplied to find the allowance for delinquent taxes. This amount is entered on the corresponding line of the budget form.

The total property tax requirement line is the last line of the table. It represents the amount to be levied for the general all purpose fund and is computed by adding the first three lines of the table. This is the amount that the county treasurer will levy upon the property in the territorial jurisdiction of the municipality. Later, this amount will be transferred to the first page of the budget form.

Note that the formula for computing property tax requirements is geared toward underestimation. All of the adjustments are based on the amount of

property tax required, while, in reality, all of the adjustments are made against the levied property taxes. This may make a difference of approximately 0.5-1 percent of property taxes collected by a municipality. For example, a 1-percent county treasurer's commission and a delinquency rate of 5 percent on a property tax amount of \$100,000 yields a property tax levy of \$106,000. Assuming that the numbers are correct, the municipality will collect only \$99,640, as shown below.

Property tax required		\$100,000
County treasurer's commission	+	\$ 1,000
Delinquent tax allowance	+	\$ 5,000
Total (levied taxes)	=	\$106,000
Levied taxes	=	\$106,000
Commission	-	\$ 1,060
Delinquent taxes	-	\$ 5,300
Total collected	=	\$ 99,640

The degree of underestimation varies and is relative to the delinquency rate. A delinquency rate of 10 percent would produce a difference between the levied taxes and the property tax required of over 1 percent. For example, if \$100,000 were the amount required, then \$111,000 would be levied, and \$98,790 would be collected, if all the estimates are correct. Based on this, use a delinquency rate estimate of 1 percent above the rate that is expected to adjust for the peculiarity of the results of the computations. This table is organized for simplifying computations, rather than for causing municipal property tax revenues to be low.

Debt Service Funds

The debt service fund forms (pages 7 and 8) are similar to the general all purpose fund form except for a few differences in expenditures and revenues. These differences will be reviewed with specific attention given to the most important topics.

Identifying debt as it pertains to general obligation debt service and special assessment debt service may be difficult. It depends on each municipality's accounting system. Regardless of the structure of a municipality's accounting system, it should have one fund for general obligation debt service and one or more funds for special assessment projects. This is, in part, to account for special assessment debt service. It is necessary to separate these two kinds of debt on the budget forms, even if there is no special assessment debt fund.

General obligation debt is long-term debt that is an obligation of the municipality in general which is not based on a particular fund, such as an enterprise fund. It is a debt with a maturity or due date in excess of 1 year from when it was originally contracted. This debt usually includes bonds for streets, buildings or other physical structures, and heavy equipment. These bonds are usually recorded by purpose and date of issuance. Debt used to establish an enterprise fund may be general obligation debt, but all subsequent debt of an enterprise fund is not general obligation debt, even if the bonds have a general obligation guarantee for payments.

Special assessment debt is created to fund special assessment projects. These projects make improvements that increase the value of real property. Because of the increased real property value, the municipality charges part of the cost of the project to the property owners. All registered warrants and bonds used to finance special assessment projects should be recorded separately, specifying the projects to be financed.

General Obligation Debt Service Fund

The general obligation debt service fund form (page 7) has the same layout and categories as the general all purpose fund form but is easier to complete because it includes fewer details. It is divided into sections for expenditures, revenues, computations, and property tax computations.

Expenditures. The expenditures most often used for the general obligation debt service fund are bond principal and bond interest. Any other expenditure would be unusual. Premiums and transfers are uncommon but acceptable expenditures. The premium payments line is used when bonds are called (payment demanded) and a premium is paid to exercise the call privilege. Transfers can be made if there was an excess of revenue over expenditures in past years. This should not be budgeted in either the proposed or adopted budget columns.

The rest of the expenditures lines are confusing because they appear to be inappropriate to a debt service fund. Normally, pension payments and sinking fund payments should not be made from a debt service fund. Ordinarily, the only budgeted expenditures are the bond principal and interest due for the upcoming fiscal year. (Interest can be calculated from the records of outstanding bonds or the bonds themselves.) If there is any question, contact the bond bank that helped to sell the bond.

Total expenditures for past years and the budget year are the sum of the amounts recorded on the preceding lines of the form. A necessary cash reserve may or may not be required. If bond payments in the next budget year (the year after the one being budgeted) must be made prior to the availability of revenue, then it is necessary to have a cash reserve.

A cash reserve may be necessary for a debt fund; however, the reserve is limited to 50 percent of the expenditures in a fund for a fiscal year. The total expenditures and the necessary cash reserve (if any) amounts for the budget year are added to produce the total requirements amount.

Revenues Section. The revenues section (lines 15-26) is fairly simple. It contains information and revenue categories that are similar to the information found on the general all purpose fund form. The net cash balance, investment, and county treasurer's balance are similar also. The revenue sources listed are not extensive, and there is a blank (line 24) for municipal use. The revenue sources listed are not used ordinarily by most municipalities because they use property taxes as the primary source of funding for general obligation debt. A transfer line is included, but transfers from other funds are not generally used. The balance, revenue, and transfer lines are totaled and entered on line 26.

Computations Section. The computation section (lines 27-30) is the same as in the general all purpose fund form. The sum of the revenue, balance, and transfer lines is subtracted from the total requirements (line 14) to produce the amount of property taxes required to finance the fund. The sum of property taxes, revenues, balances, and transfers is recorded as total revenue available (line 28). The less: expenditures and balance forward lines are used for the current and two immediate past years but not the budget year.

Property Tax Computations Section. The property tax computations section is the same as in the general all purpose fund form. The amount of property taxes required is transferred to the computation table, and the county treasurer's commission and a delinquent tax allowance are calculated based on the amount required. The total of the property taxes required, the commission, and the delinquent tax allowance is the total property tax requirement. (This figure will be transferred to page 1 later.)

Special Assessment Debt Service Fund

The special assessment debt service fund form (page 8) is almost the same as the general obligation debt service fund. They differ in some details, a few expenditures, and the estimate of special assessment payments.

Expenditures Section. The expenditures section (lines 1-14) is unusual because it can include expenditures on special assessment projects (both contracted services and expenditures incurred by the municipality in constructing a special assessment project), as well as expenditures on special

assessment project debt, that is, bond principal and bond interest. According to standard accounting practice, both are accounted for in one or more special assessment funds. Also, there may be expenditures on warrants.

Registered Warrants. Expenditures may include registered warrants, although they are not listed as one of the expenditure lines. This may occur when registered or otherwise outstanding warrants from previous fiscal years are paid from current funds. Registered and otherwise outstanding warrants are debts of special assessment funds. When they are paid from current revenues, they should be accounted for as expenditures of these funds on the budget forms.

Warrants are tricky. All payments made by municipalities are warrants as specified by state law, although they are frequently called checks. A warrant does not have to be redeemed by a bank or a municipality until the municipality determines that it is permissible or the bank is willing to buy it. Municipalities are not allowed to sell bonds for special assessment and some construction projects until the projects have been completed. However, the contractors want partial payments so they can continue the projects. As a result, warrants are given to contractors when municipalities do not have the money to pay for projects and before they can sell bonds.

Paper and Money Expenditures. When arrangements have been made, a bank can pay a warrant holder for warrants. So, when a municipality pays a contractor for work with warrants that will not be redeemed immediately, it is an expenditure (a paper expenditure), because money cannot leave the municipal accounts at this time. Later, when the warrants are redeemed, it is an expenditure (a money expenditure), because money leaves municipal accounts at this time.

In the first example, the paper expenditure payment is recorded as an expenditure, but there is no corresponding reduction of cash in the cash accounts. It is recorded as an expenditure because a payment has been made. In the second example, a money expenditure is made when a municipality pays the money to the warrant holder. The money has to be available, and a cash balance account has to show a reduction in cash when the payment is made. These expenditures must be budgeted differently under different circumstances. All paper expenditures must be budgeted to make them legal expenditures, regardless of when the money is paid. All money expenditures must be budgeted to show the payment of money.

Always budget for all paper expenditures. If the money expenditure for a project will be paid in the same fiscal year as the paper expenditure, do not budget separately for warrant payments. Everything will be cleared up in the budget by the end of the fiscal year. The sequence of events would be as follows: Budget for an expenditure; a paper expenditure warrant is given to a

contractor and entered in municipal accounts; and a money expenditure is entered when the warrant is paid, resulting in the reduction of a cash balance account.

If there are outstanding warrants (paper expenditures) from previous years, budget for the payment of the money expenditures if they will be paid during the current year. If projects are going to be completed partially, budget paper expenditures and money expenditures in different fiscal years, as appropriate. These procedures make it possible to cope easily with the double expenditure characteristic of special assessment projects.

A parallel requirement is to record a revenue entry in the revenue section to offset paper expenditures. Paper expenditure warrants that are not redeemed immediately involve the transfer (in the future) of money only once between parties. Therefore, it is necessary to keep the accounting fund and budget form balanced.

Remember, there are two kinds of expenditure entries for this kind of transaction, and there must be corresponding revenue entries to keep everything balanced. The offsetting revenue entry exists only to balance the paper expenditures (issuance of warrants) when the municipality will not redeem them during the current fiscal year. The revenue entry is necessary to make the expenditure entry legal which allows the warrant to be issued legally to the contractor.

To record the offsetting revenue entry for the paper expenditure entry, enter a figure in the revenues section equal to the expenditures that will not be paid during the current fiscal year. This entry should be recorded as "Revenue Due to Redeem Warrants."

For example, a special assessment project is budgeted for \$10,000 for a fiscal year. Of that \$10,000, \$5,000 will be paid during the current fiscal year and \$5,000 the next. The budget form should show a \$10,000 expenditure for the current fiscal year. It should show at least \$5,000 in real revenues, and up to \$5,000 as "Revenue Due to Redeem Warrants." The next, or future fiscal years, should show a \$5,000 expenditure on warrants and \$5,000 in real revenue to cover the money expenditure on the outstanding warrant. In practice, the numbers may become inaccurate, because the warrants may require interest payments, by prior arrangements with a bank or contractor. Also, a fund may be budgeted to have more revenue than necessary to cover actual expenditures, which causes a reduction in the "Revenue Due to Redeem Warrants" entry. Otherwise, the expenditures in a special assessment debt service fund would be treated exactly as expenditures in a general obligation debt service fund. Ordinarily, expenditures are the same for bond principal and bond interest.

Revenues Section. Two things are especially noticeable in the revenues section (lines 15-29) of the form. First, it does not have a line specified for

special assessment payments or a blank line that can be used for this purpose. (In the future, such a line should exist.) When using this form, cross out or white out something else and write in "Special Assessment Payments."

Second, there are a number of specific revenue sources listed, some of which are not generally used by municipalities in funding special assessment debt. In addition to the three asset-oriented lines concerning balances and investment which appear at the top of the revenue section, the only other common sources of revenue used in this area are investment interest, special assessment payments, and property taxes, which are discussed later.

Usually, it is inadvisable to use the transfers line (line 24). It is used to transfer money from the general fund or the general obligation debt service fund to pay for a municipality's share of special assessment projects. Because property tax levies can be made directly through this fund, there is no need to use the transfers line. Also, the line for the sum of the balances, revenues, and transfers (line 25) includes only lines 15-24.

To estimate revenues for a budget year, special assessment payments must be estimated in more than one category. Some special assessment payments will be paid when due, some will not be paid (they will become delinquent), and delinquent special assessment payments will carry a late payment interest charge in addition to their face value.

To calculate special assessment revenues, first calculate the amount of special assessment payments due in the next fiscal year. Second, based on experience, estimate a delinquency rate; it is usually best to estimate too high rather than too low. Third, subtract the product of the delinquency rate multiplied by the special assessment payments due from the special assessment payments due. Fourth, determine how much money is outstanding or delinquent for past fiscal years for special assessment payments. If it is a small amount, disregard estimating how much will be generated from this source and use the amount produced in step three above. Fifth, estimate a rate of payment on the delinquent payments based on experience; a lower rate is better. Sixth, multiply the rate of payment on delinquent accounts by the amount outstanding, which yields the amount of delinquent payments. Seventh, add the delinquent payments computed in step six to the adjusted amount of special assessment payments calculated in step three. Eighth, multiply the amount of delinquent payments calculated in step six by an estimate of the average time for the delinquent period and then by the interest charge for late payments (currently 14 percent by state law) (Statutes of Nebraska, Chapter 45). Ninth, add the figure calculated in step eight to the adjusted amount of special assessment payments calculated in step seven.

For example, a special assessment project fund currently has \$10,000 due, an estimated delinquency rate of 10 percent, \$5,000 in delinquent payments, a

20-percent delinquent payments rate, and an average of 2 years delinquency. This example is illustrated as follows:

- Step 1: \$10,000 due
- Step 2: 10 percent x \$10,000 = \$1,000
- Step 3: \$10,000 - \$1,000 = \$9,000
- Step 4: \$5,000
- Step 5: 20 percent
- Step 6: 20 percent x \$5,000 = \$1,000
- Step 7: \$1,000 (from step 6) + \$9,000 (from step 3) = \$10,000
- Step 8: \$1,000 (from step 6) x 2 years x 14 percent = \$280
- Step 9: \$280 (from step 8) + \$10,000 (from step 7) = \$10,280.

Property Tax Computations Section. Property taxes for a special assessment debt service fund can be estimated in two ways. The easiest way is to estimate other revenues and to make the property tax levy sufficient to cover expenditures and the necessary cash reserve. The other way is to calculate the amount of property taxes required to pay for the delinquent and defaulted delinquent special assessment payments, the municipal share of special assessment projects, and any necessary cash reserve. The advantage of the latter method is that it can be calculated estimated defaulted payments for future special assessment levies so that those costs can be assessed against the property owners who benefit from an assessment project, rather than all of the property owners of the municipality. The rest of the special assessment debt service fund form, the computations, and the property tax computations sections are computed the same as those sections in the general obligation debt service fund.

Fund Summary

The fund summary (page 3) is the result of LB 889, passed by the legislature in 1986, which amended Section 23-923. It requires "a uniform summary and a grand total of all funds maintained by the governing body." Page 3a shows the fund summary worksheet, and page 3b explains the fund summary requirement. They are not part of the AP budget forms but are included as separate pages.

The auditor's office interprets LB 889 as the three budget funds on the AP form that are added to produce both the summary and grand totals for expenditures, revenues, and fund balances and constituent elements for the two immediate past fiscal years, the current fiscal year, the proposed budget, and the adopted budget. While this is somewhat tricky, it is easiest to think of it in terms of the separate elements—different fiscal years and different subtotals for expenditures, revenues, and fund balances.

Compiling the information for the fund summary page is less tricky than it appears at first. The form is organized by fiscal years across the top of the page and by expenditures, revenues, and fund balances, with subdivisions, on the left side of the page. The figures on the fund summary page represent the totals for all three funds in the AP form. The information can be compiled easily on the worksheet for the fund summary (page 3a).

Fund Summary Worksheet

The worksheet (page 3a) is organized into three tables: One for expenditures, one for revenues, and one for fund balances. Categories are identified across the top of columns. In the expenditures table, the categories are operating, capital outlay, debt service, and transfers. In the revenues table, the categories are beginning balance, federal, state, local, taxes, and transfers. The fund balance table does not have column headings because there is only one fund balance. The types of funds are listed on the left side of the tables. The subdivision "General" represents the general all purpose fund. It is necessary to write "general obligation debt" and "special assessment debt" in the first column if either of these funds are used. These categories were not included because the worksheet was designed to be used with both the AP and the CV forms.

First, make one copy of the worksheet for each column and five copies for the first year the worksheet is used or if the previous year's worksheets or fund summary page cannot be located. Information from a previous worksheet, if on file, or information already listed on the fund summary page can be used. The immediate past year from one fund summary page will become the second immediate past year on the next year's fund summary page.

Fill out a worksheet for each year by transferring information about expenditures from the three fund pages. For example, transfer the general all purpose fund information to the corresponding categories on the worksheet, such as operating. For past fiscal years, the numbers are actual figures from financial reports. For the current fiscal year, the numbers are taken from other pages. Some are actual and some are estimated figures. The budget year figures, proposed and adopted, are estimates from the accumulating schedule for the general all purpose fund and from the fund pages for the other two funds. The fund totals from the worksheet should be placed in the corresponding columns on the fund summary sheet (page 3).

Expenditures Section. The expenditures section is easy to complete because expenditure categories are the same on the form and the worksheet, and all that is required is transferring figures. Add all of the columns and check the fund totals to determine if they equal the sum of the columns. Add

the three fund totals (written beside the fund page names) and compare this figure with the figure computed by adding the column totals. Figure 4 shows how to use the expenditures section of the worksheet.

Figure 4
Sample Expenditures Section of Fund Summary Worksheet,
AP Budget Form

Funds	Columns				
	Amount	Operating	Capital Outlay	Debt Service	Transfers
General	\$	a	b	c	d
General obligation debt service	\$	e	f	g	h
Special assessment debt service	\$	i	j	k	l
Column totals	\$M	n	o	p	q

Figure 4 shows that the total of the column entries for a line is equal to the fund total. The sum of a, b, c, and d is equal to the amount written next to general. The columns should be totaled and crosschecked. For example, the sum of a, e, and i is written in the space where n appears; the sum of b, f, and j is written in the o space; the sum of c, g, and k goes in the p space; and the sum of d, h, and l is entered in the q space. The sum of the column totals, n, o, p, and q, should equal the sum of the total of the three funds, \$M. If not, there is an entry or computational error.

Revenues Section. For the revenue section of the worksheet, it is necessary to add figures from the revenues section of the fund pages. The revenues total is listed in the same place as the name of the fund in the expenditures section of the worksheet. The columns in this section are beginning balance, federal, state, local, taxes, and transfers. Figures from the fund pages have to be accumulated, added together, and entered in the columns. It is easiest to compute and to enter the figures for each of the funds individually.

The beginning balance is handled differently on the fund summary page than on the worksheet and may change in subsequent years. On the worksheet, this column is for the sum of the net cash balance, the investments, and the county treasurer's balance lines for a particular year.

On the fund summary page, the balances are listed separately, indicating that the appropriate figure from a particular fund page is transferred to the fund summary page. Notice how this is listed on the fund summary page and the worksheet and act accordingly. If the fund summary page uses the

balances individually, the only reason to add them together on the worksheet would be to perform a mathematical crosscheck.

The federal revenue column appears to refer to grants from the federal government that appear in the revenues section of the general all purpose fund form. The state revenue column appears to refer to revenues handled in some way by the state, including shared revenues, state administered revenues, and various grants.

The general all purpose fund form indicates which lines refer to the state and local revenue columns. Local revenues include all types of locally levied revenues except property taxes. The taxes column appears to refer to property taxes only, and the transfers column refers to expenditure transfers, as explained earlier.

After revenues from all of the funds have been entered on the worksheet, the mathematical accuracy of the table can be checked by adding the columns and rows and comparing totals with the total revenues that are entered by the fund name. If the two numbers are not the same, there is an error.

Ending Fund Balance. The ending fund balance for each fund can be written next to the fund name on the worksheet. To obtain a grand total ending fund balance, add the ending fund balances together. To check the accuracy of these figures, subtract total revenues from total expenditures for a year to see if the amount is the same as the total of the ending fund balance. After the worksheet is filled out for each of the two immediate past fiscal years, the current year, and the proposed budget year, the information can be transferred to the fund summary page.

The name of the municipality and the county must be recorded on the fund summary (page 3). The fund summary page is arranged differently than the worksheet. It includes a column for each fiscal year and expenditures, revenues, and ending fund balance categories are listed on the left side of the form.

The next step is to file the proposed AP budget form with the municipal clerk no later than August 1 (23-923). It is also necessary to meet the requirements for the public notice of a budget hearing (23-925). The cover page of the form is not filled out until the adopted budget is passed.

Chapter 4

Budget Form CV

The State of Nebraska-Budget Form CV (Revised 1-29-87) is presented in appendix B. It was accurate when this manual was written. Future forms may contain some changes, but most of the features will probably remain unchanged for some time. The examples used in appendix B are referred to by page and line numbers so that readers can follow the text and examples easily. The CV form contains the following pages:

- Cover page, with a checklist and instructions;
- Request for property tax;
- Instructions;
- Fund summary, followed by a worksheet and explanation;
- General fund budget statement;
- Street fund budget statement;
- Revenue sharing fund;
- _____ fund (called blank fund here);
- _____ bond fund (called blank bond fund here); and
- Federal grant projects fund.

The CV form has eight parts. First, the cover page (pages 1 and 1-A) and the request for property tax (page 1-B) go together to show the amount of property taxes being levied. Second, the fund summary (page 3), which is followed by a worksheet and an explanation and (pages 3-A and 3-B), is used to show account totals for the municipality. Third, the general fund form appears on pages 4 and 5, and the street fund form appears on pages 6, 6-A, 6-B, 6-C, 6-D, 6-E, and 7. The general revenue sharing fund is shown on page 8, two forms (pages 9 and 10) are for unnamed funds, and two forms (pages 11 and 12) are for unnamed bond funds. Page 13 lists federal grant projects.

The order of preparation should be examined first. The cover page, the property tax request, and the fund summary forms cannot be completed until the other forms have been completed. The federal grant projects form (page 13) need not be filled out. Therefore, the six sets of fund forms should be completed first. The fund forms should be completed out of order only if a limit or constraint, such as a tax limit, grant requirement, or fund balance limit exists. Then, it is necessary to refer back and forth between funds, except for limited funds. Because this is not likely to happen, the six sets of fund pages will be explained in order. (Note that on the CV form a fund

refers to an accounting entity, and each fund in the municipal accounting system appears on the CV forms.)

General Fund

The format of the general fund form (pages 4 and 5) is similar to that of the other funds. There is a space for the name of the municipality and the county at the top of the page. Five columns are listed across the top of the page, and categories of funds appear on the left side of the form. The columns include the two immediate past fiscal years, the current fiscal year, the proposed budget prior to the budget hearing, and the adopted budget. The column dates, for example 8-1-1984 to 7-31-1985, signify the fiscal year for which the information pertains.

The information for filling in the columns can be found in various places. The information for the first two columns on the CV form, and every form concerning expenditures organized by fund, should be found in the most recent audit, but if the audited annual financial reports show only 1 year, then the two most recent audits should be used. When budgeting for a village, the unaudited statement of cash receipts and expenditures for the 2 immediate past years will have the information needed for these columns.

The third column provides information for the current year. This is a combination of actual and estimated figures for the current fiscal year. Estimates for the upcoming fiscal year are entered in the fourth column. The fifth column shows the adopted budget figures, which can be compiled only after the budget hearing has occurred.

The rows on the left side of the form organize information by various categories. The forms are easiest to work with if they are arranged by the following categories:

- Expenditures,
- Revenues,
- Computations, and
- Property tax requirement computations.

Expenditures Section. The list of expenditures is followed by lines for totaling the columns. The categories are fairly easy to understand. Personnel (spelled personal) is misspelled on line 1, and three categories require an explanation.

First, the capital outlay (line 5) is important if the municipality has a large cash reserve in any fund. This may affect the limit on cash reserves.

Second, debt servicing (line 6) means paying off debt that is recorded in the accounts of a fund. That is, if tax anticipation notes or registered warrants are recorded in the accounts of a fund, the cost of paying these

debts is recorded in this category. General obligation debt, special assessment payments, and debts attributed to other funds are not paid directly from the general fund.

Third, transfers (line 24) is used to show transfers from one fund to another. This means that money from one fund is contributed to another fund for some purpose and that the money contributed is not expected to be repaid. Typically, interfund transfers that are considered loans show up in the accounting system and annual financial reports. However, such loans are not transfers in the context of budget expenditures. A transfer as a budget expenditure is money transferred from the general fund to a debt fund to make debt payments. Despite the number of lines, all expenditures should fit into one of the listed categories.

As noted earlier, the first two columns are completed by using past years' documents. In the third column, expenditures for the current fiscal year are totaled. Using the budget for the current fiscal year and knowledge of what is going on in your municipality, estimate how much more money will be spent in each category. Then, add that estimate to the amount already spent to get an estimated total figure for each category of expenditures for the fiscal year.

These estimates are important because they relate to the proposed budget information and because cash on hand is cash available for expenditure that will not have to be raised by taxation. If these estimates are wrong, the municipality may either have an excessive cash reserve or run out of money. When making these estimates, estimate a little high. It is easier to reduce tax rates next year than to prepare a supplemental budget. Also, when estimating budgets, it is a good idea to plan for problems that cause the least difficulty. Examples include high expenditures or low revenues. Estimates are really guesses; so make guesses that are the least likely to cause problems in the future.

The fourth column is for the proposed budget estimates. The estimates for expenditures for all but two categories can come from operating officials. Debt service and transfer estimates ordinarily are handled by executive officials. For debt service, it is necessary to know the amount of debt due, the interest rate, and the time period. This is usually handled by the municipal clerk.

Transfers are policy decisions and are used either to make contributions on an irregular basis or to pay debt service based on the amount needed to service debt. This also is handled by the municipal clerk.

The figures from the expenditures categories for the 2 past and the current fiscal years are reported as total expenditures (line 25). The total for the proposed budget year column is entered as the total budget of expenditures (line 26). Two more lines must be completed for the proposed budget year (column 4): Necessary cash reserve and total requirements.

Necessary cash reserve is money on hand to pay bills before revenues come in for a particular fund during the fiscal year. To budget for a necessary cash reserve, estimate how much money will be needed at the beginning of the fiscal year to pay the bills before revenues become available.

For example, because property tax receipts are available in September and May, other revenues and cash on hand must be used to make expenditures prior to collection of property tax revenues. The necessary cash reserve is about the same amount every year. It increases slightly to allow for increases in inflation and budgeting. State law limits the amount of cash reserve for any fund; it may not exceed 50 percent of the total, minus capital outlays (23-923).

For example, total expenditures of \$100,000, minus capital outlay expenditures of \$20,000 = \$80,000, multiplied by 50 percent = \$40,000 maximum cash reserve. This limitation exists so that municipalities do not acquire excessive cash reserves by taxation. The only legitimate large-scale accumulation of cash reserves allowed is to pay for a future capital outlay (line 5). Estimate liberally because it is better to have a slightly larger cash reserve than to run out of money.

The necessary cash reserve figure (entered in column 4) is added to the total budget of expenditures figure (line 26) to produce a total requirements amount (line 28). This figure indicates the total requirements needed to make expenditures in the coming fiscal year and to provide a cash reserve for the following fiscal year. It is used to calculate property taxes later.

Revenues Section. Page 5 of the general fund form contains the revenues, computations, and property tax requirement computations sections. It has the same five columns for years as the expenditures section, and categories of funds are listed on the left side of the page. The revenues section contains two types of lines: Asset balances and revenues by source. The balances in asset accounts are signified by 8-1, or August 1, the first day of the fiscal year.

The balances listed are net cash balance, investment, and county treasurer balance. The net cash balance is the amount of money in readily accessible financial institution accounts. Examples include checking, warrant, savings, or NOW accounts. If there are two or more accounts, they must be added together before entering the total on line 29.

Investment (line 30) refers to short-term investments. Examples of short-term investments include certificates of deposits (CDs) and U.S. Treasury Bills (T-bills). The county treasurer balance refers to money belonging to the municipality but held by the county treasurer. It is important to record investments of money held by the county treasurer on one line only.

The revenue categories are federal, state, local, and transfers. Federal means federal grants, state refers to state-distributed revenues, and local

includes any locally levied revenue other than property taxes. Transfers means that a fund is receiving revenue from a transfer between funds, as discussed earlier. In addition to the categories listed specifically as revenue sources, several blank lines are included for additional sources of revenue.

Information from the audits or statements for the 2 immediate past fiscal years is entered in columns 1 and 2. For column 3, the current fiscal year, compute estimates for any category that is incomplete, including any source that is still producing revenue during the current fiscal year. These estimates are relevant because they influence property taxes computed later.

First, estimate revenues for the rest of the fiscal year. Then, using the previously estimated expenditures for the rest of the fiscal year, predict the impact of the estimated revenues and expenditures on the balances. Ordinarily, nothing at this point in the year will change the county treasurer balance. Investment (line 30) may change because of the maturation of a short-term investment or a planned investment. However, the category most affected by the estimates will be net cash balance (line 29). The ending balances of the asset balance lines for the current fiscal year will be the beginning of the year balances for the proposed budget year. This affects the cash reserve position of the fund for the upcoming fiscal year.

Next, estimate revenues for the proposed budget year (column 4). To estimate these revenues, unless there is better information available, predict in what direction and to what extent the revenue sources will deviate from the previous year, the current fiscal year. Unless a particular revenue source is large, it is not good to spend a lot of time trying to estimate it. If it is large, the best way to predict the revenue is to look at the changes in the revenue base, that is, the basis for revenue collections.

Examples of this are sales for sales tax and dogs for dog licenses. Predict the base change as a percentage change from the current year; add that to, or subtract that from, 1.00 (which represents the current year); multiply that amount by the current year's revenue. If it is not a revenue source with a base, such as state aid, the closest estimate will be a guess. For example, state aid to municipalities will likely continue to decline. It is generally preferable to predict such revenue sources especially conservatively.

Computations Section. The computations section (page 5) uses revenue total lines 29-48 (line 49). The rest of the lines in this section are property taxes (line 50), total revenue available (line 51), less: expenditures (line 52), and balance forward (should be balance forwarded) (line 53).

The information for these lines comes from various sources for each of the fiscal years. For the 2 immediate past fiscal years, the property taxes collected are entered (line 50) and added to the total revenues (line 49). This figure is recorded as total revenue available (line 51).

The total expenditures for these fiscal years are entered as less: expenditures (line 52); this figure is subtracted from the total revenue available (line 51), and yields the balance forward (line 53). The balance forward should equal the sum of the three balances found at the beginning of the revenues section for the next fiscal year column.

The amount of property taxes collected can be entered for the current fiscal year because the taxes have been collected. As before, total revenues (line 49) and property taxes (line 50) are added together to determine the total revenue available (line 51). The expenditures figure should be taken from the estimate of total expenditures from the expenditures section and recorded as less: expenditures (line 52). This figure is then subtracted from the total revenue available (line 51) and entered as the balance forward.

For the proposed and adopted budgets (columns 4 and 5) the property taxes are computed from figures listed elsewhere in the general fund section. First, total revenues (line 49) must be completed. Next, while the property taxes line (line 50) is blank, transfer the figure from the total requirements line (line 28, page 4) in the proposed or adopted budget columns of the expenditures section to the total revenue available line (line 51) in the computations section. A state law (23-924) requires that total requirements and total revenue available figures be equal to have a balanced budget:

Budget Statement; estimated expenditures; unencumbered balances; estimated income. The estimated expenditures plus the required cash reserve for the ensuing fiscal year less all estimated and actual encumber balances at the beginning of the year and less the estimated income for all sources other than taxation shall equal the amount to be received from taxes, and such amount shall be shown on the proposed budget statement filed pursuant to section 23-923. The amount to be raised from taxation, as determined above, plus the estimated revenue from sources other than taxation and the unencumbered balances shall equal the estimated expenditures, plus the necessary required cash reserve, for the ensuing year (23-924).

Finally, total revenue (line 49) is subtracted from total revenue available (line 51) to find the amount of property taxes to be collected. This figure is used to compute the property tax requirements. The last two lines of the computations section (less: expenditures and balance forward) are not used for the proposed or adopted columns because the budget is supposed to be balanced.

The following is a hypothetical example:

49. Total Lines 29-48	\$ 10,000
The total revenues from the revenues section.	
50. Property taxes	\$ 90,000

The difference between the total requirements line (\$100,000) and the total revenues line (\$10,000).

51. Total revenue available \$100,000
The sum of the total revenue line and the property taxes line, which is the same amount as the total requirements line.

For current and past years:

52. Less: Expenditures \$ 90,000
Actual or actual plus estimated expenditures.
53. Balance forward \$ 10,000
Actual or estimated for current year, which equals the sum of the balance accounts in the next fiscal year.

For the current year, the balance forward line is a reflection of last year's estimate of necessary cash reserve. If this figure is high, maybe the cash reserve estimate should be examined. Also, the balance forward for the current fiscal year should be equal to the sum of the asset account balances for the proposed budget year. If not, the numbers are not added correctly or the wrong numbers are being used. The balance forward amount exists only if it is actual or if it is estimated to exist as an asset.

Property Tax Requirement Computations. The property tax requirement computations section, labeled property+tax+recap (page 5), is completed only for the proposed and adopted budget columns. This section is a small table at the bottom right corner of the form because it only uses two columns. It is used to compute the property tax levy needed to produce the amount of property taxes listed in the previous computations section of the form because all levied property taxes are not collected by municipalities. The lines in the table include the amount of property taxes, the county treasurer's commission, an allowance for delinquency, and a total property tax requirement. Instructions for completing the property tax recap are located parallel to the table.

The amount of property tax is recorded on the first line. This amount is the same as the amount of property tax listed in the computations section (line 50) for the proposed budget year. The municipality's goal is to finish with this amount, after necessary adjustments have been made.

Adjustments. The county treasurer's commission is the first adjustment to make. The county treasurer will deduct a fee of 1 percent of the property taxes collected for a municipality to help cover the costs of administering the

property tax. To find this amount, move the decimal point two places to the left in the figure on the first line of the table. For example, if the property tax amount is \$100,000, the county treasurer's commission equals \$1,000. This method is easier than multiplying by .01.

The adjustment for delinquent property taxes is trickier. In any given year, some people will not pay their property taxes. Some of the money will never be seen because property taxes and the penalties on late payment will exceed the amount gained from foreclosures. Other delinquent property taxes will be paid in future years.

In years when the local economy is improving, the delinquency rate for payment will be relatively low and the rate of repayment of previous years' delinquent property taxes will be relatively high. In years when the local economy is declining, the delinquency rate for payment will be relatively high and the rate of repayment of previous years' delinquent property taxes will be relatively low.

In Nebraska, delinquent property tax losses are shared by all property taxing entities in a county. Therefore, if the delinquency rate in a county is 1 percent, all of the levying jurisdictions share the loss, regardless of the location of the property with delinquent taxes. To make provision for this, each property taxing entity makes an allowance for property tax delinquency. The actual delinquency rates may be obtained from the county treasurer.

After obtaining the most recent figures on delinquency for the county, estimate delinquency for the current budget year. After noting the general economic conditions in the county, adjust the previous year's delinquency rate. If economic conditions seem to be improving, lower the estimated delinquency rate. If economic conditions seem to be deteriorating, raise the delinquency rate. The rate can be no higher than 5 percent above the delinquency rate of the previous year. It is better to have a slightly high delinquency rate than a slightly low one. A slightly high rate is bankable money; a slightly low rate means lower reserves, reduced expenditures, short-term debt, or unpaid bills. After an appropriate delinquency rate is determined, multiply it by the amount of property tax required to produce an allowance for delinquent taxes. Enter the amount on the appropriate line in the property tax recap section.

The last line in the table is total property tax requirements, which represents the amount to be levied for the general fund budget statement. It is computed by adding the first three lines in the table. This is the amount that the county treasurer will levy upon the property in the territorial jurisdiction of the municipality. Later, this amount will be transferred onto the cover page of the budget form.

Underestimating Property Taxes. It is interesting that the computations in the property tax requirement table lean slightly toward an underestimation of the property tax requirement. In the table, all of the adjustments are made to

the amount of property tax required, while in reality, all of the adjustments are made against the levied property taxes. This may make a difference of approximately 0.5-1 percent in property taxes collected by a municipality. For example, using the table with a 1 percent county treasurer's commission and a delinquency rate of 5 percent on a property tax amount of \$100,000, the result is a property tax levy of \$106,000. Assuming the numbers are absolutely correct, the municipality will collect only \$99,640. This is illustrated in the following example:

Property tax required		\$100,000
County treasurer's commission	+	\$ 1,000
Delinquent tax allowance	+	\$ 5,000
Total (levied taxes)	=	\$106,000
Levied taxes		\$106,000
Minus commission	-	\$ 1,060
Minus delinquent taxes	-	\$ 5,300
Total collected	=	\$ 99,640

The degree of underestimation varies relative to the delinquency rate. A delinquency rate of 10 percent would produce a difference between the levied and the required property tax of more than 1 percent. For example, if \$100,000 were required, then \$111,000 would be levied, and \$98,790 would be collected, if all the estimates are correct. Based on this, it is appropriate to use an estimate for the delinquency rate 1 percent above the rate that is expected to adjust for the results of the computations using this table. It should be noted that this table is set up to simplify computations rather than to cause municipal property tax revenues to be too low.

Street Fund

The street fund follows the general fund (pages 6-7) and is the most detailed of the funds in the form. The expenditure detail pages (pages 6-A to 6-E) can be used to gather expenditure estimates from whomever is in charge of streets administration. The street fund, also called the road fund, accounts for broadly conceived expenditures on streets. In addition to a specific property tax levy, it is where locally levied motor vehicle or wheel taxes are placed (18-1214). It is also where half of the money collected on property within municipal boundaries by the county property tax for roads is placed and where municipal shares of the state-distributed highway allocation fund monies are placed. The provisions of the laws concerned with the highway allocation fund restrict how municipalities spend this money.

One requirement is that municipalities match the state-distributed funds, 25 percent for second-class cities and villages and 50 percent for all other municipal classes (39-2519). A second requirement is that the monies be used for street purposes (39-2402), which is clarified in 39-2520. Expenditures for streets are fairly broad, as stated earlier, and include special assessments, off-street public parking, street-related storm sewers, street cleaning, and debt expenses. This fund is audited by the Department of Roads to ensure compliance with state law. Therefore, the expenditure detail is extensive. The detail is very helpful to municipalities because it is a pre-approved list of street fund expenditures that make up the local match portion of the fund.

Expenditures Section. The column headings are the same as in the general fund, and the expenditure categories are listed on the left side of the form (pages 6-A to 6-E). Each category has a title first and a total line last, and is followed by one or more blank lines. Examples include line 1, personal service (should be personnel); detail lines from 2 to 22, with some open lines; and a total line, 23, followed by a blank line, 24. Each of the category totals shows the line on page 6 to which the category total should be transferred. Other categories include operating expenses, supplies, equipment rental, capital outlays, and debt servicing.

Several things should be noted on the street fund form. First, the less money a municipality spends in matching highway allocation fund monies, the more it has to spend on other things. This applies to the expenditure detail because many expenditures can be budgeted in the street fund that may currently be budgeted in other funds. For example, unless the Department of Roads is recording expenditures otherwise, the street fund could include a portion of the salary and fringe benefits for administrative personnel, such as the municipal clerk and treasurer, and office expenses, such as rent, supplies, telephone, and other utility costs for the municipal offices.

While the street fund should not be used to cover all of these costs, it can pay for some of them. By moving some expenses from the general fund to the street fund, a municipality can reduce its overall expenditures and meet its matching requirement. The portion of nonspecific expenditures that can be budgeted in the street fund should be in proportion to the size of the street fund relative to other general operating funds.

Also, note that the expenditure detail category of debt servicing in the street fund can be used to budget monies to pay bonds for street purposes. If it is not necessary to meet the matching requirement, the debt servicing of the street purpose bonds can be budgeted and accounted for in a bond fund or a debt fund, which is discussed later.

In debt servicing, the debt expenditures of principal and interest payments are budgeted in the debt servicing category of the street fund. The money is collected during the fiscal year and transferred to the general obligation debt

fund, or whatever fund is used to pay for bonds, with a clear indication of the transaction in the expenditure accounts of the street fund.

After all of the details are entered onto the detail pages for street fund expenditures, totals for individual categories and the total of all categories are computed. The category totals are then transferred to the first page of the street fund (page 6). The category totals are then added to ensure that the two grand totals, computed separately on the general expenditures page and the detailed expenditures pages, are the same. Mathematical crosschecks may seem tedious and avoidable; however, it is advisable to do them to make sure there are no mathematical errors in the budget.

Other Sections of the Street Fund. The revenues, computations, and property tax requirement computations sections of the street fund (page 7) are completed in the same manner as in the general fund. The general fund has fewer and more specific revenue sources available than the street fund. Otherwise, these funds can be completed similarly.

Revenue Sharing Fund

The revenue sharing fund form appears on page 8. The federal general revenue sharing program has been phased out, so this fund will probably not be very active in the future. However, the revenue sharing fund form has to be completed as long as there is information to report for the current fiscal year or 1 of the 2 immediate past fiscal years. It is preferable to transfer all money in the revenue sharing fund to some other fund. Then, the form has to be filled out for only 3 years. This view is based on the belief that there are too many accounting funds used in Nebraska municipalities and that any reduction is helpful. The revenue sharing fund is fairly uncomplicated. The columns for the fiscal years are the same as those for the general fund and street fund.

The expenditures categories comply with federal legislation. It is easy to fit expenditures into these categories because they include broad purposes. The revenues section consists of a few lines, and the computations section is short because the fund has no provision for a property tax computation.

Blank Fund

The blank fund forms appear on pages 9 and 10, and are titled "_____ fund." These pages must be copied so that there is a set for each of the many funds that will be budgeted in this section. (Most types of funds are budgeted on this part of the form.) Some funds to be listed here are general operating funds, such as police, fire, and library funds, which are used to account for limited property tax levies. Enterprise funds, such as

water, sewer, electricity, natural gas, airport, hospital, and nursing home funds, which are used to account for fee or charge supported services, may also be included here.

Other funds accounted for on this form include trust or agency funds, which occur when the municipality is holding someone else's money in trust or when the municipality is acting as an agent. Examples are pension funds and perpetual care cemetery funds.

The blank fund form has the same four-section layout as the general fund. The expenditures section is open-ended for expenditure categories. The general expenditure categories found on the general fund form are probably the best categories to use. If categories from a previous year are available, it is probably acceptable to use them. However, if expenditure categories from previous years are inaccurate, it is acceptable to change categories to standard listings, such as those on the general fund form (pages 4-5). If the categories are changed to the ones listed on the general fund form, try to recategorize prior year expenditures into the new categories and then indicate the procedure on the forms so that the auditor's office will know what has been done.

The rest of the form is the same as the general fund form except that there are fewer revenues lines. However, there seem to be enough blank lines for unspecified revenues. Also, note that it is not necessary to levy property taxes for every fund.

Most general operating funds require property taxes to operate. The enterprise funds usually do not require property taxes to operate and can only use property taxes under specifically authorized circumstances. Trust funds may use property taxes in some circumstances, such as a municipal contribution to a pension fund, but agency funds ordinarily do not receive property taxes. Even if a municipality does not collect property taxes for a fund, the fund must be budgeted.

Repetitive computation of similar, yet different, funds on this form is likely to lead to fatigue, confusion, or errors. Because errors can cause problems, be patient and doublecheck figures for accuracy.

Blank Bond Fund

The blank bond fund form titled " bond fund," appears on pages 11 and 12. These pages may be used for one, two, or several funds, depending on the municipal accounting system and regardless of the specific names of the funds.

The three kinds of bonds used by Nebraska municipalities are for general operating purposes, enterprise fund activities, and special assessment projects. The general operating purpose bonds are used to construct streets, buildings, other facilities, and occasionally to purchase heavy equipment. The

enterprise fund activities include water, sewer, electricity, natural gas, and nursing homes. Enterprise activity bonds are recorded as liabilities in enterprise funds. Also, many enterprise fund bonds contain a provision that makes them, secondarily, general obligations of the municipality. However, enterprise bonds are recorded in specific enterprise funds. Special assessment projects lead to special assessment bonds, which are partly an obligation of the municipality and partly an obligation of the benefited property.

In Nebraska municipalities, these different types of bonds are accounted for in three different ways. Some communities use one bond fund, some use two bond funds, and some use several. Only one of these options is a problem. If a community has one bond fund, it is unable to track its financial position accurately. Then, general obligation bonds and special assessment bonds, and perhaps enterprise bonds, are merged, although they represent different obligations by different people. Enterprise bonds should be recorded in enterprise funds to maintain an accurate record of the expenses for providing services and to correctly compute appropriate charges. General purpose bonds should be accounted for in a general obligation debt service fund in order to follow the debt level of the municipality. Special assessment debt service should be accounted for separately in one fund, with separate accounts for each special assessment project or in a separate fund for each special assessment project. The bonds for special assessments are usually primarily an obligation of the benefited property.

If different kinds of bonds are placed into one fund, it is hard to follow the municipal debt position. If a municipality has only one debt service fund, whether it is called bond fund, debt service fund, or special assessment bond fund, it is best to create a second debt service fund and divide the debt appropriately between the two funds or to create separate special assessment project debt service funds. The following explanation is for two or more debt service funds, although entering information on one form for one fund differs only in that figures are added together and entered on different lines.

In Nebraska, county treasurers hold some of the money for bond payments, due to legal requirements or bond covenants. This can create accounting confusion and confusion on the budgeting forms. All money held by the county treasurer is specific to some fund. If money is held by the county treasurer to pay for a general obligation bond, the money should be recorded in the general obligation debt service fund. If it is held to pay for special assessments, it should be recorded in a special assessment debt service fund. If it is held to pay for an enterprise activity bond, it should be recorded in an enterprise fund. If it is held for some other purpose, it should be recorded in the relevant fund, because a municipality cannot receive revenue without putting it in a fund. It is unclear why a county treasurer would have a municipality's money, except for reasons associated with debt.

Assuming that the accounting fund for bonds is correct, filling out the blank bond fund forms is next. Note that the purpose of having debt service or bond funds is to account for the payment of debt. In budgeting the general obligation debt service fund, first determine if the street bonds are budgeted in the street fund or if they will be budgeted in this fund. If they are in the street fund, the revenues and expenditures for street purpose bonds are budgeted in the street fund. During the fiscal year, the money is transferred to the general obligation debt service fund for payment of the bonds. The money then appears once on the budget forms in the street fund and twice in the accounting records as a revenue and an expenditure during the fiscal year in the street and the general obligation debt service funds. This is a peculiarity that results from the street fund matching requirements. Standard practice, in this case, is to budget and account for all general obligation debt in a general obligation debt service fund. If it is not necessary to meet the match requirement in the street fund, then the standard practice is the easiest method.

General Obligation Debt Service Fund

After the street purpose bonds have been decided, fill out the general obligation debt service fund form (page 11) and complete the same four sections as before.

The expenditures section contains two common and one occasional expenditure. Ordinarily, the two expenditures are bond principal and bond interest. These two expenditure figures can be calculated by reviewing general obligation debt records or the municipal copy of the debt agreements. If there is any question, the bond bank that worked with the municipality on a particular bond could help clarify the situation. Occasionally (but rarely), premiums are paid when bonds are called; the premium paid is the price for the early payment of the bonds. Otherwise, there are no reasonable expenditures of such a fund. This fund may be required to carry a cash reserve due to a bond covenant. It is a good idea to carry a liberal cash reserve to guard against a revenue shortfall. The cash reserve is limited by state law, as discussed previously.

The form shows sinking fund (line 3) and pension payments (line 7). However, neither should be made from a debt service fund. Transfers (line 29) in the expenditures section should be used only if there are no bonds to pay. Then, money in the fund should be transferred into another fund.

The revenues section (page 12) contains several lines. It is inappropriate to include federal revenue, state revenue, or pro-rate motor vehicle monies in a debt service fund because general obligation debt is usually not an obligation of any federal or state grant or of a municipal share of motor vehicle payments (which goes into the street fund). Because general obligation debt

has an unlimited levy claim on property taxes, it is usually a good idea to pay for it with property taxes. The revenues section and the other two sections of the blank bond fund form are completed in the same manner.

Special Assessment Debt Service Fund

The next fund to budget on the blank bond fund forms (pages 11 and 12) is the special assessment debt service fund. For simplicity, one fund is assumed here; however, in practice, several funds are somewhat easier to manage than one.

Expenditures Section. The expenditures section is unusual because it can include expenditures on special assessment projects, such as contracted services and expenditures incurred by the municipality in constructing a special assessment project, such as expenditures on special assessment project debts, bond principal, and bond interest. According to standard accounting practice, both are accounted for in one or more special assessment funds. In addition to these expenditures, there may be expenditures for warrants or registered warrants.

Warrants. Warrants are tricky. All payments made by municipalities are warrants by state law, and although they are frequently called checks, they are warrants. What distinguishes a warrant from a check is that it does not have to be redeemed by a bank or a municipality until the municipality determines that it is permissible or the bank is willing to buy it.

Paper and Money Expenditures. Municipalities are not allowed to sell bonds for special assessment, and some other construction projects, until the project has been completed. However, the contractors want partial payments to continue the projects. As a result, warrants are given to contractors when municipalities do not have the money to pay for projects and before they can sell bonds. Sometimes, when prior arrangements have been made, a bank may pay a warrant holder for the warrants. So, when a municipality pays a contractor with warrants that will not be redeemed immediately, it is a paper expenditure, because no money leaves municipal accounts at this time. Later, when the warrants are redeemed, it is a money expenditure, because money leaves municipal accounts at this time.

In the first case, the paper expenditure payment is recorded as an expenditure, but there is no corresponding reduction of cash in the cash accounts. It is recorded as an expenditure because a payment has been made. In the second case, a money expenditure is made when a municipality actually pays the money to the warrant holder. In this case, the money has to be available and a cash balance account has to show a reduction in cash when the

payment is made. Each type of expenditure is budgeted differently and under different circumstances. All paper expenditures must be budgeted to make them legal expenditures, regardless of when the money is actually paid. All money payments must be budgeted to show the movement of money. Working with various circumstances is detailed here.

First, always budget all paper expenditures. Second, if the money expenditures for a project will be paid in the same fiscal year as the paper expenditures, do not budget warrant payments separately. Everything will be cleared up by the end of the fiscal year. The following would be the sequence: Budgeted expenditure, paper expenditure warrants given to contractor and scored in municipal accounts, and money expenditure recorded when the warrants are paid off with the reduction of a cash balance account.

Third, when there are outstanding paper expenditure warrants from previous years, budget the payment of the money expenditures on the warrants if they will be paid during the year. Fourth, if projects are going to be partial, have paper expenditures and money expenditures in different fiscal years, and budget the appropriate amount for each year. This set of budget procedures will make it possible to cope easily with the double expenditure characteristic of special assessment projects.

A corollary requirement is putting an offsetting revenue entry in the revenues section to offset paper expenditures. Because paper expenditure warrants that are not redeemed immediately involve the transfer of money between parties only once in the future, it is necessary to keep the accounting fund in balance and to keep the budget page balanced. Somehow, this seems to bother people more than the odd expenditure entries. Remember, there are two types of expenditure entries for this type of transaction, and there must be corresponding revenue entries to keep everything balanced.

The offsetting revenue entry exists only to balance the paper expenditure issuance of warrants when the municipality will not redeem them during the fiscal year. The revenue entry is needed to make the expenditure entry legal so that the warrant can be issued legally to the contractor. This is required to enter into a contract.

To complete the offsetting revenue entry for the paper expenditure entry, enter a figure in the revenues section equal to the expenditures that will not be paid during the fiscal year. This entry will go on a line labeled revenue due to redeem warrants. The following example illustrates the procedure.

A special assessment project is budgeted for \$10,000 for a fiscal year. Of that \$10,000, \$5,000 will be paid during the current fiscal year and \$5,000 during the next fiscal year. The budget form shows a \$10,000 expenditure during this fiscal year, at least \$5,000 in real revenues, and up to \$5,000 as revenue due to redeem warrants. The next, or future, fiscal year shows a \$5,000 expenditure on warrants and \$5,000 in real revenue to cover the money expenditure on the outstanding warrants. In practice, the numbers may become

somewhat inaccurate, because the warrants may require interest payments by prior arrangement with a bank or a contractor. Also, a fund may be budgeted to have more than enough revenue to cover actual expenditures, which reduces the revenue due to redeem warrants entry. Otherwise, the expenditures in a special assessment debt service fund are treated exactly the same as those in a general obligation debt service fund, as explained previously.

Revenues Section. The revenues section for a special assessment debt service fund is similar to the revenues section of a general obligation debt service fund because many revenues listed are inappropriate. Also, the revenues section may be divided into four parts. First, there are the balances, which have been explained previously. Second, there is interest revenue based on existing balances. Third, there may be transfers from the general fund or the general obligation debt service fund from previous years to pay for special assessment debt. This practice is not advisable because the process becomes more difficult to follow. Budget and account in the same funds, whenever possible. Fourth, there are special assessment payments that are levied upon property. These are explained later. Fifth, there are property tax revenues to pay for the municipal share of the special assessment projects.

When estimating revenue for a budget year, the special assessment payments must be estimated in more than one category. Some special assessment payments will be paid when due, some will not be paid and will become delinquent, and delinquent special assessment payments will carry a late payment interest charge, in addition to their face value. To calculate special assessment revenues, estimate the three figures noted here and calculate their impact on one another. This can be done through a series of steps, as described in the example below. The calculations are not difficult, despite the numerous steps.

First, calculate the amount of special assessment payments due during the next fiscal year, which can be found in the special assessment records. Second, based on experience, estimate a delinquency rate. It is generally better to overestimate. Then, multiply the estimated rate by the amount of special assessment payments due. Third, subtract this product from the special assessment payments due to obtain an estimate of actual payments. Fourth, determine how much is outstanding or delinquent for past fiscal years for special assessment payments. (If it is a small amount, bypass estimating the amount that will be generated from this source (steps 4-9) and use the amount from step three above in the appropriate space for special assessment payments on the blank fund form.) Fifth, estimate a rate of payment on the delinquent payments based on experience; lower is better. Sixth, multiply the rate of payment on delinquent amounts by the amount outstanding. This is the estimate for delinquent payments. Seventh, add the estimate of delinquent payments calculated in step 6 to the adjusted amount of special assessment

payments calculated in step 3. Eighth, multiply the delinquent payments amount calculated in step 6 by an estimate of the average duration of the delinquent period by the interest charge for late payments. Currently, it is set at 14 percent by state law (Statutes of Nebraska, Chapter 45). Ninth, add the figure calculated in step 8 to the adjusted special assessment payment figure calculated in step 7.

In the following example, a special assessment project fund has \$10,000 currently due, an estimated delinquency rate of 10 percent, \$5,000 in delinquent payments, a 20-percent rate of delinquent payments, and an average of 2 years of delinquency.

Step 1: \$10,000 special assessment payments due

Step 2: 10 percent (estimated delinquency rate) x \$10,000 = \$1,000 estimate of delinquent payments

Step 3: \$10,000 - \$1,000 = \$9,000 estimate of actual payments

Step 4: \$5,000 delinquent payments outstanding

Step 5: 20-percent rate of delinquent payments

Step 6: 20 percent x \$5,000 = \$1,000 delinquent payments amount

Step 7: \$1,000 (from step 6) + \$9,000 (from step 3) = \$10,000 adjusted estimate of actual payments

Step 8: \$1,000 (from step 6) x 2 years x 14 percent = \$280 estimate of interest on delinquent payments

Step 9: \$280 (from step 8) + \$10,000 (from step 7) = \$10,280 final adjusted estimate of actual payments.

Property Taxes. Property taxes for a special assessment debt service fund can be estimated in two ways. One way is to estimate other revenues and make the property tax levy sufficient to cover expenditures and the necessary cash reserve. Another method is to calculate how much revenue from property taxes is required to pay for the delinquent and defaulted delinquent special assessment payments, the municipal share of the special assessment projects, and any necessary cash reserve. The advantage of the first approach is that it is easier. The advantage of the second approach is that the loss in defaulted special assessment payments can be traced historically and figured into future special assessment levies so that the costs

and defaults can be assessed against property owners benefiting from an assessment project, rather than the property owners of the municipality as a group. Either way, the total will come out the same. Otherwise, the special assessment debt service fund forms are filled out the same as those in the computations and the property tax computations sections.

Federal Grant Projects Fund

The federal grant projects fund form appears on page 13. It is not a useful fund unless a grant project explicitly requires a separate accounting fund for the project. Otherwise, the fund unnecessarily fragments an already highly fragmented accounting and budgeting situation further. If this fund page is used, all of the usual features of the four sections apply, with two exceptions. There is no provision for property tax levies, and there is a revenue line for transfers from other funds. If a municipality has to levy property taxes to support a grant project, it is easier to budget and account for the grant project in the same fund in which the property taxes are levied.

Fund Summary

The fund summary (page 3) represents a requirement passed by the legislature in 1986 when it amended Statutes of Nebraska, Sect. 23-923 to require "a uniform summary and a grand total of all funds maintained by the governing body." This is specified on page 3-B, and follows the fund summary worksheet (page 3-A).

The auditor's office interprets this requirement by requiring that information from the fund pages be added together to produce both summary and grand totals for expenditures, revenues, fund balances, and constituent elements for the immediate 2 past fiscal years, the current fiscal year, the proposed budget, and the adopted budget. While this is somewhat difficult, it is easiest to master by thinking of the separate elements. The separate elements include different fiscal years and different subtotals for expenditures, revenues, and fund balances.

Overall, the compilation of information for the fund summary form is less tricky than it may first appear. The form is organized by fiscal years across the top (columns) and the categories of expenditures, revenues, and fund balances, with subdivisions on the left side of the page (rows). The figures on the fund summary form represent the totals for all the funds on the CV form. The information is compiled most easily by using the worksheet supplied by the auditor's office. If the municipality has more funds than the worksheet allows, use two copies of the worksheet.

Worksheet for Fund Summary

The worksheet is organized into three tables, one each for expenditures, revenues, and fund balances. The tables include column headings. For the expenditures table, the categories are operating, capital outlay, debt service, and transfers. For the revenues table, the categories are beginning balance, federal, state, local, taxes, and transfers. The fund balance table does not have any column headings because there is only one fund balance amount. The names of the funds are listed on the left side of the table. The row heading general represents the general fund. It is necessary to enter fund names, such as street, in this column. Fund names are not listed because the worksheet was designed to be used with both the AP and CV forms.

To proceed, make a copy of the worksheet for each column, five copies for the first year the worksheet is used, or if the previous year's worksheets or fund summary page cannot be located. In future years, four copies of the worksheet will be required. If the worksheet information is on file, information on one of the worksheets, or the past year's fund summary page, can be used on the fund summary page. The immediate past year from one fund summary page will become the second immediate past year on the next year's fund summary page.

Expenditures Section. Start filing out a worksheet for each year by transferring expenditure category information from the fund pages. For example, transfer the general fund operating expenses from page 4 to the operating category on the worksheet. For past fiscal years, the numbers are actual figures obtained from financial reports. For the current year, the numbers are from the other forms; some are actual and some are estimated figures. The budget year figures, proposed and adopted, are estimates obtained from the fund forms.

The fund totals should be placed in the same section as the name of the fund. For example, the general total expenditures figures are entered in the corresponding categories, column by column. This is fairly easy for the expenditures section of the worksheet; the form matches the expenditures categories so the figures only need to be transferred. Then, add all of the columns and check the fund totals to ensure that they equal the sum of the columns. Add the three fund totals written beside the fund page names and compare them with the figures derived from adding the column totals. The following example, based on three funds, may help to clarify how everything fits together in the expenditures section of the fund summary worksheet.

Fund		Columns			
		Operating	Capital Outlay	Debt Service	Transfers
General	\$	a	b	c	d
Street	\$	e	f	g	h
Debt	\$	i	j	k	l
Column totals:	\$ M	n	o	p	q

In this example, the total of the column entries for a line is equal to the fund total. In the example above, the sum of a, b, c, and d is equal to the dollar amount written next to general. The columns should be totaled and crosschecked. For example, the sum of a, e, and i is written in the space where n appears. The other columns follow the same pattern: b, f, and j are added to produce o; c, g, and k are added to produce p; and d, h, and l are added to produce q. The sum of the column totals (n, o, p, and q) should be equal to the sum of the total of the three funds, M. If M is not equal to the sum of n, o, p, and q, there is an entry or computational error.

Revenues Section. For the revenues section of the worksheet, it is necessary to add figures from the revenues sections of the fund forms. First, enter the revenue total in the same area as the name of the fund, as in the expenditures section of the worksheet. The columns across this section of the worksheet include: Beginning balance, federal, state, local, taxes, and transfers. To fill in the columns, numbers from the fund pages should be added together. It is easier to compute and to enter the figures for each of the funds one by one.

The beginning balance figures should be handled differently on the fund summary form than on the worksheet. (This may be changed in subsequent years.) On the worksheet, this column represents the sum of the net cash balance, the investments, and the county treasurer's balance lines for a particular year. On the fund summary page, the balances are listed separately. Apparently, the appropriate figure is then transferred from a specific fund page to the fund summary page.

Note how this information appears on the fund summary page and the worksheet, and act accordingly. If the fund summary page uses the balances individually, the only reason to total them for the worksheet is to use the figures for a mathematical crosscheck. Apparently, the federal revenue column refers to grants from the federal government that appear in the revenues section of the general fund form.

The state revenue column seems to cover revenues handled by the state, including shared revenues, state administered revenues, and various grants.

The lines on the general fund forms show which ones are entered into the state revenue column. The local revenue column is indicated in the same way on the general fund forms under the heading of local revenue. This heading includes many kinds of locally levied revenues, except property taxes.

The taxes column seems to refer to property taxes only. The transfer column is for expenditure transfers, as explained earlier.

After revenues from all of the funds have been entered onto the table, it is possible to check the mathematical accuracy of the table by adding the columns down and across, and then comparing this total with the total revenues figured by fund and entered by the fund name. If the two numbers do not agree, there is an error in the figures.

Ending Fund Balance. The ending fund balance for each fund can be written next to the fund name on the worksheet. These fund balances can be added together to obtain a total ending fund balance figure. The accuracy of all figures can be checked by subtracting the total revenues from the total expenditures for a year to see if the figure is the same as the total of the ending fund balance. If the two figures do not agree, there is an error on the worksheet or fund forms.

After the worksheet is filled out for each of the two immediate past fiscal years, the current year, and the proposed budget year, the information can be transferred to the fund summary form. Also, the name of the municipality and the county must be recorded at the top of the fund summary form in the blanks provided. The rows and columns are reversed on the fund summary form. There are columns for each of the fiscal years and expenditures, revenues, and fund balance categories are listed on the left side of the form.

After the fund summary form is completed, the next requirements are to file the proposed budget statement with the municipal clerk by August 1 (23-923) and to give notice of a public hearing on the proposed budget (23-925). Then, only the cover page and the property tax request page remain to be completed. These pages are completed after the budget is adopted. They are discussed later.

Chapter 5

Miscellaneous Forms

This chapter examines and explains the use of the following budget forms: Notice of Budget Hearing and Budget Summary (appendix C), Transmittal of Village Report (appendix D), and Nebraska Villages Unaudited Statement of Cash Receipts and Disbursements (appendix E).

Notice of Budget Hearing and Budget Summary

A municipality is obliged by state law to provide public notice of a budget hearing (23-925). The notice is given after the proposed budget statement has been filed with the clerk. The auditor's office provides information on this requirement on the back of the cover page of the AP and CV budget forms. The information is also printed on a separate two-page form, titled Notice of Budget Hearing and Budget Summary (appendix C). It is provided with the other state budget forms and is also known as the Budget Form NBH.

This form is filed with the auditor's office with the other budget forms and is used to provide notice of a budget hearing. As usual, it is best to work from a copy of the form so serious errors can be corrected easily.

The purpose of this form is to provide the following information: When the budget hearing will be given; how it will be given (and proof that public notice was given in the most common form of notification); and what type of information the notice contains, that is, what is entered on the NBH form.

The public notice of municipal budget hearings must be published 5 days prior to the hearing date. It is best to provide notice of a public budget hearing as soon as convenient (which the municipal officials must determine), legal, and early enough so that the budget hearing can be held at a regularly scheduled meeting. It is legally required and practical that the proposed budget statement be completed before providing a notice of public hearing. The time to issue a notice depends upon meeting dates, publication dates, and deadlines for publication.

Methods of Publishing the Notice. There are three methods of publishing the notice of public hearing. The most common method is to publish the notice in a general circulation newspaper that is within the governing body's jurisdiction. Second, it is legally possible, although almost impossible, to mail a notice to each resident in the community. The greatest difficulties of mailing are keeping a current mailing list, paying postage, and processing such a mailing.

A third option available only to municipalities with operating budgets of \$10,000 or less (without counting reserves) is posting the notice of the proposed budget at the governing body's principal headquarters.

The law requires that the place and time of the public hearing, along with a summary of the proposed budget statement, be included in the notice of public hearing. The auditor's office interprets the meaning of a summary and offers a form to be used to fulfill this requirement. It is advisable to use the form that is provided.

The Front of the Form. The notice of budget hearing form provided by the auditor's office has information on the front (page 1) and back (page 2), two sections of two parts otherwise, and an associated document. The two sections of two parts contain two headings and two tables that provide summary information. There is one heading and one summary table on the front and one of each on the back. The associated document is the proof of publication, the actual published form, or a copy of the notice if it is mailed or posted. The copy of the notice requirement as proof of publication if it is mailed or posted seems inadequate because it should be a copy of the form. Both the front and back headings include blank spaces for the names of the county and the municipality; the day, month, year, time, and place of the budget hearing; and a line for the signature of the clerk. Beneath each of the headings is a summary table.

The table on either the front or the back can be used to provide a summary of the proposed budget statement. The one on the front has more fund lines because the one on the back is a short form. However, the one on the back is insufficient for all the necessary information because it provides for only two funds. The form on the front is easier in this respect. The information for the NBH form is found on the budget fund forms and transferred from the fund pages to the NBH form.

The budget summary table on page 1 includes a series of columns with headings and a series of lines on the left side. The columns are divided into four parts for four fiscal years. The first three columns, labeled actual expense (should be expenditure) with two dates listed below, are for the 2 immediate past fiscal years and the current fiscal year. The two immediate past fiscal years are listed in the first two columns. The current fiscal year is the third column, although the figures only partially reflect actual expenditures. The five remaining columns contain information for the budgeted fiscal year.

The first two columns for the budgeted fiscal year have the heading of requirements. These two columns are for expenditures (under the date heading) and necessary cash reserve. (Expenditures is the appropriate information for this column because the heading requirements refer to the

sum of expenditures and necessary cash reserve, and because the other column heading is necessary cash reserve.)

The three remaining columns have the following headings: Cash on hand and estimated other revenue, fee and delinquent tax allowance, and total property tax requirement. The cash on hand and estimated other revenue column is for the total of the revenues section, which does not include property taxes levied. This total is found on the line immediately above the property taxes line on the proposed budget column of the fund pages.

The fee and delinquent tax allowance column should have been labeled collection fee and delinquent tax allowance, which means the county treasurer's collection commission and the property tax delinquent tax allowance. These two figures are found on the second and third lines of the property tax computations section. If a fund has no property tax revenue, leave this column blank.

The total property tax requirement column presents the same information as the last line of each proposed budget form that shows a property tax computations section. Note that the numbers in the last five columns for the proposed budget year have a predictable mathematical relationship, even if it is tricky to compute. The sum of the expenditures and necessary cash reserve columns is equal to the sum of the cash on hand and estimated other revenue and total property tax requirement columns, minus the fee and delinquent tax allowance column. Following the columns, as numbered in appendix C, the mathematical relationship is as follows: $4 + 5 = (6 + 8) - 7$.

The lines on the left side of the form are for funds, and one line is for totals. The first line, with general printed on it, represents the general all-purpose fund on the AP form and the general fund on the CV form. The remaining lines are blank and should be filled in with appropriate fund names. For the AP form, there are only three possible funds. For the CV fund, be sure to include every fund a municipality has, whether it is supported by property taxes or not.

After all of the column entries have been made, total each column and enter the amount on the last line, labeled totals. To crosscheck the mathematical computations, use the equation cited above. If the numbers do not add up correctly, there is a mathematical or transference error.

The Back of the Form. The table on the back of the notice of budget hearing form lists categories on the left side. In the place of column headings, there are two fund headings, general fund and fund. If it is necessary to add fund names across the top or informational categories down the left side, usually this form is not going to be large enough to accommodate a municipality, unless it uses only one or two funds. Then, all of the information will fit on the table, except a total of the information for two funds, by line, as is found on the table on the front of the form, by

column. If a municipality has three or more funds and wants to use this format, it is necessary to create another form. In this event, remember to total all of the lines across. Also, note that the plus (+) and the minus (-) signs on appendix C are given incorrectly. The mathematical relationship shown will not be correct. The mathematical relationship of the lines is the same as that for the columns of the table on the front, which is explained above.

After the notice of a budget hearing has been issued to the public, a municipality has a budget hearing and adopts a budget before filling out more forms.

Adopted Budget Statement

After the budget hearing and the adoption of the budget, the adopted budget statement is entered onto the same budget forms as those used to enter the proposed budget statement. The differences are that the entries are the final adopted version of the budget; they are made after the budget hearing and adoption of a budget; and they are listed one column over. Also, there is an additional page or two to fill in (both the AP and CV forms require a cover page, and the CV form has a related property tax requirement page). Then, the forms are sent to the proper places.

Budget Hearing. The budget hearing is a public meeting and subject to the regular requirements of the Open Meetings Act. That is, a municipality can not hold a meeting in private or in such a way as to prevent the public from participating. One provision to note states that members of the public are allowed an opportunity to speak, which can be regulated (84-1412). Otherwise, it is expected that the budget hearing will be handled as any municipal meeting and will have a written record and recorded votes.

Budget Adoption. After the budget hearing has occurred, it is up to the board or council to take the necessary actions to consider, decide on any amendments, and adopt a budget. After discussion of the topics and repeated considerations, a municipal budget is adopted. Then, ordinance requirements are published regularly and additional publications are prepared if the proposed budget is amended. If this occurs, a summary of changes, the items changed, and the reasons for the changes must be published within 20 days after the adoption of the budget.

Adopted Budget Statement. The adopted budget statement involves making entries, whether changed from the proposed budget statement entries or not, in the adopted budget statement column of the AP and CV forms; preparing the cover page (the CV form requires a collateral page); and

submitting a copy of the completed forms to the county board(s) and the Auditor of Public Accounts. For the current year, two sets of forms sent to the county clerk satisfy the submission requirements.

Making changes on the budget fund pages of the AP and CV forms is not particularly difficult, although it may become tedious. (This does include the fund summary page.) Everything that is not changed is copied from the proposed budget statement column to the adopted budget statement column. When there are changes, a new figure is recorded in the adopted budget statement column. It is important not to copy totaled information from the proposed column to the adopted column when an earlier figure has been changed. This is the easiest mistake to make. All of the changed figures and the resulting totals should be crosschecked, as specified in the proposed budget sections of this manual.

Cover Pages for AP and CV Forms. The cover pages for the AP and CV forms are prepared similarly, with a few differences. Information on the back of the cover page should be read first to determine if any requirements have been changed. The cover page is attached to the front of the set of forms to assist the auditor's office and county officials because this is the information that they want to see easily.

The municipality's name is filled in first, and then the county's or counties' names. If a municipality is in more than one county, a separate set of forms must be filled out (copied) for each county. Then, the property tax levies are divided up for the various counties to collect.

A section on the notice of public hearing is filled out next. There is a box to check on the method for notifying the public. A certification that the hearing took place on a particular day of a particular month of a particular year is filled in by the municipal official preparing the forms. At this point, the procedures for filling out the cover pages of the AP and CV forms differ. As before, the AP form will be explained before the CV form.

AP Cover Page. The certification of the property tax, which follows the certification of the public hearing section, is filled out next on the AP cover page. This section has two columns, fund and amount. Under the fund heading, the word general signifies general all purpose fund for the AP form. Enter the name(s) of the debt funds used by your municipality on the line(s) below the word general. Then, under the amount heading, and next to the appropriate fund name, enter the amount of property tax required to be levied. This can be found on the last line of the property tax computations section of the corresponding fund page and is labeled total property tax requirement.

The total of the amount column should be entered on the line across from the title, total all funds, on the AP form cover page. This is the amount the municipality is requesting the county to levy.

The next section contains information provided by the clerk and anyone else who prepares the form. There are lines for the clerk's signature, address, and telephone number, and there are lines for the name, occupation, city, and telephone number of the preparer.

The rest of the cover page is used by county officials and the auditor's office. Finally, users of the AP form must be sure that all of the fund pages, including the fund summary pages, the cover page, and the NBH form, are compiled in two sets to submit to the county clerk, which is indicated on the top of the cover page and may change in the future. This fulfills the requirement for submitting the budget to the county and to the auditor's office. It is acceptable to submit the accumulating schedule and detail sheet pages, if used, but it is not necessary to complete these forms to fulfill legal requirements. Budget implementation and the requirement for an audit or a statement of revenues and expenditures are the remaining steps to municipal budgeting and will be discussed later.

CV Cover Page. After filling out the preliminary portion of the CV cover page, as described above, the certification of the property tax is filled out. This requires gathering information on the request for property tax page, which follows the cover page (page 1-A, appendix B). There is a blank line at the top of the page for the name of the municipality and three columns on the page. The two columns on the left are for municipal use and the one on the right is for county use.

The columns on the left are titled fund and total property tax request. In the first column, list all of the funds the municipality has in its budget. In the second column, enter the amount of property tax requested for the fund, if any. This figure can be found on the last line of the property tax computations section of the fund pages that use the property tax. This line is titled total property tax requirement and is the amount the municipality asks the county to levy for that particular fund. After all of the figures for the various funds have been entered, a total is computed and entered onto the last line in the total property tax request column. Then, that total amount figure is entered into the certification of property tax section on the cover page.

The property tax section follows the certification of the public hearing section and has two columns titled fund and amount. Enter the total from the second column of the request for property tax page onto the last line of the amount column of the property tax certification section, which is across from the title, and total all funds in appendix B.

The next section contains information entered by the clerk and anyone else who prepares forms. There are lines for the clerk's signature, address, and telephone number, and there are lines for the name, occupation, city, and telephone number of the preparer.

The rest of the cover page is for use by county officials and the auditor's office. Users of the CV form must now be sure that all of the fund pages, including the fund summary pages, the cover page, and the NBH form are together in two sets to submit to the county clerk, as indicated at the top of the cover page. This fulfills the requirement for submitting the budget to the county and the auditor's office. Budget implementation and the requirement for an audit or a statement of revenues and expenditures are the remaining steps to municipal budgeting.

Implementation

Budget implementation involves three areas. First, budget requirements must be fulfilled. Second, there are related legal requirements. Finally, incidental things occur during implementation that are not related to the budget, except the budget is required to provide funding for municipal activities.

The budget requirements that have to be met include the fiscal year restriction, the budget limitation on expenditures, and the rebudgeting requirement. The money budgeted for a fiscal year can be spent only during that fiscal year. Money can be spent only after it has been budgeted and in no amount greater than budgeted. (Spent here also means to enter into a contract to spend money.) If there is a need to spend money differently than budgeted, a supplemental budget must be adopted. Finally, a municipality is required to keep records of revenues and expenditures. These accounting records form the basis for financial reports and information on future budget forms.

The related requirements include properly drawing warrants, approving payments, and entering into contracts to buy goods or services. The details of financial administration are usually found in the Statutes of Nebraska 16-7 for first-class cities and the Statutes of Nebraska 17-7 for second-class cities and villages.

Many incidental things occur that are related to a budget. Fire protection and zoning are services that are related to municipal budgeting only in the sense of requiring money. Also, municipalities are entitled only to do what is explicitly authorized by state law. So, prior to a budgeting entry or expenditure, there is a need for state legal authorization.

Financial Reports

While there may be several different financial reports produced within a municipality for different uses, the Municipal Auditing Act states that each municipality must file a fiscal year financial report with the Auditor of Public Accounts (19-2901 to 2909). All of the legal provisions regarding financial reports are drawn from that law. That law requires audits of cities

and exempts villages from the automatic audit requirement. However, it requires villages to submit financial reports and provides that the auditor may require an audit of any village based on its financial reports.

Both the audit of financial records for cities and the financial reporting requirements of villages share common requirements. A financial report must be submitted to the state auditor's office within 6 months after the close of the fiscal year. It must contain all of the financial transactions for the entire fiscal year on a cash or accrual accounting basis. An extension of the 6-month deadline can be granted by the auditor's office.

The rest of the requirements for the two types of financial reports are different. While the audit requirement may increase the work of a city clerk more than the financial report of the village clerk, the audit requirement is easier to describe and will be explained first. The financial report becomes a part of the public record and is available for public inspection locally and in the state auditor's office.

The penalties for failure to file the reports are the same and involve two possible consequences. First, any resident taxpayer may require an audit through legal actions, with municipal officials being responsible for the legal costs of the resident taxpayer instituting the action. Second, the state may withhold all state money otherwise due to the municipality.

Audited Annual Financial Report. The audit requirement applies to all cities and requires them to have an annual audit by an accountant and to have three copies of an audit report submitted to the state auditor's office. Before describing the details of this requirement, it is best to dispel a misunderstanding. Ordinarily, auditors do not look for fraud. If you doubt this, you may ask auditors to include in a contract that they will be responsible for fraud detection. Auditors are more concerned with technical accounting procedures than they are with fraud. Usually, fraud is not found in the accounting procedures. So, if an audit is not conducted to detect and prevent fraud, why is it done? An audit under proper conditions can determine if financial records and reports are accurate, although not generally in Nebraska's local governments' records. An auditor reviews financial reports and records and gives an opinion of their accuracy. The key sentence in audit opinion letters begins: "In our opinion...."

In Nebraska, most municipal audit opinion letters indicate that the auditor cannot give an opinion. In other words, audit opinion letters for Nebraska's municipalities say that the auditor has no idea of whether the financial reports or records of a municipality are accurate. The exceptions to this are a few cities that do all of their accounting on an accrual basis, such as Lincoln, and enterprise funds accounted for on an accrual basis. Without accrual basis financial reports, the auditors have no choice but to write opinion letters that indicate "no opinion." In this respect, the audit is a

requirement that has to be accomplished only to comply with state law, preferably at the lowest cost possible. However, the accountants who perform audits also provide much accounting assistance to municipalities in the preparation of financial reports and in technical accounting problems.

Audits and other assistance, however, should not be confused. Accountants also may be hired to give assistance in internal accounting controls to prevent fraud and to upgrade accounting practices. For the audit requirement itself, an auditor should not charge a large fee to provide an audit opinion letter that states no opinion is possible because of cash basis accounting.

The requirements for the audit include who conducts it, what is covered, the accounting method, and what is contained in an audit report. A public accountant or a certified public accountant selected by a municipality are required for audits of municipalities.

The audit covers all financial transactions, that is, all of the accounting and financial records and the annual financial reports that typically include a balance sheet, a statement of revenues and expenditures, and, occasionally, a statement of change in fund balance for each fund. Many times the annual financial reports are prepared by the auditor as a separate but related service.

The accounting method refers to the accounting basis upon which the financial report is made which is at the discretion of the municipality except in cases where there is a public utility or other revenue-producing enterprise that substantially supports itself which is accounted for in a separate fund. Then, an accrual-basis financial report is required. Certain information categories must be used to show an accrual financial report. This type of report can be based on cash or accrual accounting practices, but cash accounting practices must be supplemented with accrual methods to gather the necessary information.

The accrual methods must be employed only for a part of the fiscal year to produce accrual basis financial reports. This fine distinction probably will not make much practical difference. Most municipalities, especially small ones, use cash accounting, which results in cash basis financial reports. Excluding cities that are exceptions, enterprise funds are the primary exception.

Enterprise funds, as explained previously, are used to account for the self-supporting activities of a businesslike character. Examples include water, sewer, electricity, and natural gas funds. If you are uncertain about this requirement, call or write the state auditor's office. For accrual basis financial reports, the auditor is required to use the audit standard of generally acceptable accounting principles. This means that the accounting practices leading to financial reports will be scrutinized to determine if they meet the accounting industry's standards.

An audit report includes the professional opinion of the auditor and "...the financial position and results of financial operations for each fund or group of accounts for the municipality" (19-2904). The opinion of the auditor must either be in respect to the financial statements or a declaration that an opinion cannot be rendered and an explanation of that declaration. In Nebraska, the no opinion reason is cash basis accounting and financial reports.

Transmittal of Village Report

The Transmittal of Village Report (appendix D) contains the following:

- Cover page,
- Statement of Cash Receipts and Disbursements—all funds,
- Schedule of Investments,
- Schedule of Outstanding Debt, and
- Schedule of General Fixed Assets.

These five sections do not have to be completed in the order listed. Some may be completed independently of the others, and some are interdependent. A beginning-to-end description is given here with an indication of interdependencies, where appropriate.

Cover Page. The cover page (page 1) is easy to complete. Blanks to fill in include the date of the end of the fiscal year for which the report is prepared, the name of the village, the date, and the signature and title of the preparer of the form. Ordinarily, the clerk of courts prepares the form.

Statement of Cash Receipts and Disbursements (should be revenues and expenditures). The law requires that villages submit a financial report to the auditor instead of the audit report required of cities. A village is required to submit one copy of this report to the auditor's office. This report is based on a form designed by the auditor's office titled "Transmittal of Village Report." The transmittal of village report is followed by instructions supplied by the auditor titled "Nebraska Villages, Unaudited Statement of Cash Receipts and Disbursements" (appendix E).

Exhibits A and B. The next form, labeled Exhibit A on the upper right corner of the page, covers two pages. (They are listed as page 1 of 2 and page 2 of 2.) Exhibit B is on the next page, although the information is interrelated and the lines on the pages are consecutively numbered. At the top of the form, there are blanks for the name of the village and the fiscal year. As with other forms described in this manual, the form is organized by rows and columns.

Exhibit A. Exhibit A contains seven columns; six are for different funds and a total column. The official forms are odd compared with ordinary accounting practice. The seven funds listed are not comprehensive and do not reflect the funds found on the AP and CV forms or those found in village accounting records. The choice is to use either the odd definitions set forth by the auditor's office or a village's actual funds. The actual accounting funds are easier to use than the auditor's made-up funds. Using the actual funds requires that the forms be copied and new fund headings are used; this information is transferred from the village accounts for the funds.

When using the odd fund method, different funds are added together, as explained in the accompanying instruction (appendix E). For example, the general fund becomes a residual category rather than an actual fund, and public works includes many kinds of ordinary public works activities and enterprise fund activities, such as electrical, water, and sewer. If a village uses the actual fund approach, it is necessary to delete unused columns, make one or more copies of the form, and fill in appropriate fund titles, such as road fund, debt fund, and water fund.

The lines are for balances, revenues, and expenditures. The form can be subdivided into two series of interrelated information. From line 1-59, there is a series of lines showing the beginning and ending position of a village for a fiscal year and the intervening revenues and expenditures. Lines 60-91 represent the beginning and ending balances of money with the county treasurer and the money handled by the county treasurer. However, some of the information required in part two of the form is required to finish the part one of the form.

Line 1 is for the balance at the beginning of the fiscal year and has a blank space for the date. This line is for the balances of cash on hand, cash in bank accounts, and investments. The figure should agree with the ending balance for the previous fiscal year version of this form.

Lines 2-18 are for revenues. Notice lines 2 and 18. Line 2 is transfers from county treasurer (should be handled by county treasurer). This information comes from line 83. The money paid by the county treasurer includes state aid, county-levied road taxes, and village levied property taxes. The money is handled only by the county, and is not like a transfer, as discussed earlier.

Line 18 is for transfers from other funds, as explained earlier, and for other transfers. First, if money is transferred from one fund to another for expenditure in the second fund, the transfer would be shown here for the second fund, and the transfer would be a revenue. Also, if money from one fund were transferred temporarily to another fund and not paid back by the end of the fiscal year, it would appear on this line as a revenue to the fund to which the money were transferred. The total of line 18 should be equal to the sum of the corresponding expenditures transfer line (line 50).

There are many blank lines for specified revenues. The revenues of lines 2-18 are totaled on line 19. The beginning balances (line 1) and the total of revenues are totaled on line 20, total funds available.

The next section, lines 21-51, is for expenditures. The expenditures are grouped by type, for example, personal (should be personnel). Also, there are blank lines toward the end of the section. Lines 50 and 45 are of special interest. Line 50, as noted above, is the opposite side of the revenues transfer line. Because transfer money always moves from one fund to another, any revenues transfer is related to an expenditures transfer. Lines 45 and 50 should be equal. The debt service on line 45 should be debt attributed to a particular fund, which is usually short-term debt for general operating funds, long-term debt for debt funds, and both short- and long-term debt for enterprise funds. Line 44, transfers to county treasurer, is for money provided to or sent to the county treasurer for payment of debt. As in all other debt payments, the money should be attributed to the correct fund. The expenditures lines (lines 21-51) are totaled on line 51.

Lines 52-59 are a series of balance lines for various balances at the end of the fiscal year. Line 52 is the result of the revenues and expenditures on the beginning balance; lines 20-51 equal line 52. Lines 53 and 54 are for balances as listed. Line 55 is the balance or sum of investments that is entered on the schedule of investments on page 5 of appendix D. Line 56 is the total of lines 53-55, and should be equal to line 52.

Line 52 and line 56 compute the total of balances in two ways. If they are not in agreement, there is probably a mathematical error or some other error. Line 57 is for transferring the balance of money held by the county treasurer, which will be on line 91 of the following page. Line 58 is for the entry of outstanding registered warrants, which are one type of short-term debt. Other types of short-term debt are not requested here. The figures on lines 56 and 57 are added, then line 58 is subtracted from that sum and entered on line 60. Line 60 shows an overall position for each of the funds accounted for on a cash basis.

Exhibit B. The section for money handled by the county treasurer, and statement of accounts with county treasurer, is labeled Exhibit B and is shown on lines 60-91, page 4. This is arranged similarly to the first two pages. The top of Exhibit B has a blank line for the name of the village and a blank line for the fiscal year. Besides different lines, it has different fund columns. These fund columns include general fund, road fund, bond funds (should be only one fund per column), and two other columns. The funds listed on this part of the statement, except debt funds, seem to represent actual funds. Therefore, be careful of the fund definitions if you use the odd fund definitions supplied on the instructions for exhibit A by the auditor's

Appendices

2-92
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Appendix A

Appendix A

Auditor of Public Accounts - Room 2303 - State Capitol
Lincoln, NE 68509 - Telephone (402) 471-2111

State of Nebraska-Budget Form AP
010-68-009 - Revised 1-29-87

For State Auditor Use Only

7-A		
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**** RETURN COMPLETED BUDGETS FOR COUNTY BOARD AND AUDITOR OF PUBLIC ACCOUNTS TO YOUR COUNTY CLERK ****

(City/Village Name) _____

TO THE COUNTY BOARD AND COUNTY CLERK OF _____ COUNTY, NEBRASKA:

The undersigned hereby certifies that a proposed Budget Summary and Notice of Hearing was duly: (Check the method of notifying the Public of the budget hearing). Method of notifying the Public: Published _____ Mailed _____ Published _____

FURTHER, the undersigned certifies that the Public Hearing was held on the ___ day of _____, 19__ and that the Budget of Expenditures evidenced by the attached Budget was duly approved and adopted, and

FURTHER, the undersigned certifies that the following PROPERTY TAX is requested for the ensuing year:

FUND	AMOUNT (FROM PROPERTY TAX RECAP. - LINE 4)
General	_____
_____	_____
_____	_____
Total all Funds	_____

Secretary/Clerk - Please sign
 (Signature) _____
 (Address) _____
 (City) _____
 (Phone) () _____ (Zip) _____

Preparer
 (Name) _____
 Occupation _____
 (City) _____
 (Phone) () _____ (Zip) _____

THIS BLOCK FOR LEVYING BOARD/COUNTY BOARD ONLY ,

FUNDS	LEVY	Final Actual Valuation,	STATE AUDITOR'S USE
General	_____	This County _____	_____
_____	_____	Final Actual Valuation,	_____
_____	_____	Other Counties _____	_____
Total Levy	_____	TOTAL Final Actual	_____
		Valuation _____	_____

Levy is based on 1¢ each \$100 Actual Value.

CHECKLIST---Have you Enclosed:

1. Budget pages for all funds. _____

2. Notice of Budget Hearing (Form NBH) _____

BUDGET DATE GUIDE - ON OR BEFORE:

AUG. 1 (Sec. 23-923) Prepare Budget. AUG. 12 Suggested date to Publish, Post or Mail Notice of Budget Hearing, W/Summary of the Budget Statement, at least 5 days prior to Hearing. AUG. 22 Suggested latest date to adopt budget. AUG. 25 (Sec. 23-927) Adopted budget filed with: a. County Board (c/o County Clerk), b. Auditor of Public Accounts (c/o County Clerk).

INSTRUCTIONS FOR PAGE 1

1. Check the method of notifying the public of the budget hearing.

Published - Proof of Publication MUST BE attached.

Mailed - To each resident within the political subdivision, INSTEAD OF publishing.

Posted - At the governing body's principle headquarters. May post ONLY when the total budget, not including cash reserves, does not exceed \$10,000 per year.

2. List the dollar amount of property tax needed to support the fund(s) listed. Obtain this figure from the property tax re-cap found at the bottom of each fund page you use. This figure will be Item 4 (Total Property Tax Requirement) of the Re-Cap. To properly Budget, Treasurers Commissions and Delinquent Tax Allowance must be taken into consideration.

3. The secretary or clerk of your subdivision must sign where indicated. If the budget is prepared by persons independent of your subdivision, please have them sign where indicated.

4. The check list is provided for your use. It may be beneficial to you to check off those budget documents needed to assure proper filings with the State Auditor and County Clerk. IMPORTANT: FILE THE COMPLETED COPIES FOR THE STATE AUDITOR AND COUNTY CLERK, WITH YOUR COUNTY CLERK. (SCHOOLS: FILE ADDITIONAL COPY WITH COUNTY SCHOOL SUPERINTENDENT.)

5. The budget dates are statutory and/or suggested as a guide only. Early budget preparation is encouraged to avoid last minute conflicts in filing dates.

6. Do not use the blocks at the bottom of the page designated for State Auditor and Levying Board use.

INSTRUCTIONS FOR COMPLETING FUND BUDGET PAGES

The fund pages are designed to provide three years actual expense and income (Columns 1 through 3) and, provide anticipated proposed expense and income for the new fiscal year (Column 4). Column 5 (adopted) is not used unless changes are made in either expense or income as a result of public hearing and prior to adoption. CHANGES MUST BE PUBLISHED IN SUMMARY FORM WITHIN TWENTY DAYS OF ADOPTION. A NEW PUBLIC HEARING IS NOT REQUIRED.

Expens: From your records place in Columns 1 through 3 actual disbursements on a line item basis for that fiscal year. The total expenditures for Column (1) through (3) should equal the recorded expense of your unit of government. Note: If you complete the budget process prior to the conclusion of your fiscal year Column 3 may contain actual and estimated expense.

Cash Reserve: By law, you are entitled to a cash reserve not to exceed 50% of the Total Budget of Expenditures proposed in Columns (4) or (5); however, if you have included in this proposal any amounts for capital outlay such as machinery, vehicular equipment, building, land acquisition etc., you must reduce the total budget of expenditures by the amount of capital expense before computing allowable cash reserves. Cash reserves are an extremely important element of budgeting in that it provides a stable flow of cash during your fiscal year.

The Total Budget of Expenditures plus cash reserve will equal the Total requirements needed for the fund.

The revenue portion of the fund pages are designed so that the cash and income received will result in a balanced position with that of the fund expense and reserve needs.

The revenue for Column 1 through 3 should be Actual Revenues from your records.

In Column 4 place on designated source lines all income anticipated to be received during the new budget year, including transfers. Add together cash balances, investments and anticipated income. Place the sum of this total on the line identified as Total Revenue Available. This figure must be equal to that line in the fund Expense portion under Column 4 identified as Total Requirements, to produce a balanced fund budget.

THE PROPERTY TAX RECAP on the fund budget page assumes an extremely important role in considering the tax needed to support the fund. The County Treasurer will extract a percentage collection fee (commission) from tax collections received in that office, and credit your account with the net collection. Item 2 of the re-cap allows you to offset this loss of tax dollars. Additionally, there will always be some taxes not paid or lesser principal tax paid through foreclosure sale. To maintain the proper flow of property tax dollars so that, as nearly possible, 100% of fiscal year tax levy is collected for the period in which needed, you are authorized to levy a delinquent tax allowance on item 3 of the re-cap. The delinquent tax allowance may not exceed 5% of property tax plus actual percentage of prior year delinquency.

FUND SUMMARY

_____ County, Nebraska

	Actual 1984 - 1985	Actual 1985 - 1986	Actual 1986 - 1987	Budget Proposed 1987 - 1988	Budget Adopted 1987 - 1988
Expenditures					
Operating					
Capital Outlay					
Debt Service					
Transfer					
Total Expenditures					
Revenues					
Net Cash Balance 1,					
Investments 1,					
County Treasurers Balance 1,					
Federal					
State					
Local					
Taxes					
Transfers					
Total Revenues					
Ending Fund Balance					

Note - Operating includes Personal Services, Operating Expense, Supplies and Materials, and Equipment Rental

Suggested Worksheets for Fund Summary (Page 3)
 Necessary to make 1 worksheet for each year 19__, 19__, 19__, 19__ Proposed 19__ Adopted

EXPENDITURES

Fund	Operating	Capital Outlay	Debt Service	Transfers
General				
Total - Carry Forward to Summary Page 3				

<u>Revenues</u>	Beginning Balance	Federal	State	Local	Taxes
Transfers	Transfers	Transfers	Transfers	Transfers	Transfers
General					
Total - Carry Forward to Summary - Page 3					
Ending Fund Balance					
General					
Total Carry Forward to Summary - Page 3					

Note - The first column "operating" includes total for Personal Services, Operating Expenses, Supplies and Materials and Equipment Rental.

TO ALL GOVERNMENT SUBDIVISIONS

LB 889 passed by the Legislature in 1986 amended Section 23-923. A portion of the amendment reads "a uniform summary of the proposed budget statement which shall include a separate total for each fund and a grand total of all funds maintained by the governing body."

Page 3 of your 1987-1988 budget has been added to meet this requirement.

Attached to this letter is a suggested worksheet to pull the information together for you. You would need to make at least 5 copies of the worksheet as each year would stand on its own. The suggested worksheets are for your use and are not a part of the budget document. We will need all of the funds summarized on page 3.

If you have any further question please contact my office.

Ray A. C. Johnson

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____ COUNTY, NEBRASKA

Use Only when City/Village Elects to Use All Purpose Levy

Section 19-1309 R.R.S. 1943

Line No.	GENERAL ALL PURPOSE FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
1	EXPENDITURES						
2	General	1000					
3	Public Works	2000					
4	Public Health & Safety	3000					
5	Cultural & Recreation	4000					
6	Public Building	5000					
7	General Obl. Debt Serv.	6000	COMPUTE ON PAGE 7		COMPUTE ON PAGE 7	COMPUTE ON PAGE 7	
8	Spec. Assm't. Debt Serv.	7000	COMPUTE ON PAGE 8		COMPUTE ON PAGE 8	COMPUTE ON PAGE 8	
9	Federal revenue Sharing	8000					
10	Transfers						
11	Total Expenditures					XXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
12	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXX		
13	NECESSARY CASH RESERVE		XXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXX		
14	TOTAL REQUIREMENTS		XXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXX		
15	REVENUES						
16	Net Cash Balance 8-1						
17	Investments 8-1	28					
18	Co. Treasurer's Bal. 8-1						
19	Federal Revenue						
20	Revenue Sharing	12					
21	Grants	61					
22							
23							
24	State Revenue						
25	Insurance Tax	05					
26	Homestead Exemption	06				XXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
27	Pro Rate MV	09					
28	Gov. Subdivision Aid						
29	Street Allocation	11					
30	Incentive Payment	13					
31							
32							
33	Local						
34	Share Co. Road Levy	15					
35	Share Twnshp Road Levy	17					

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____

COUNTY, NEBRASKA

Use Only when City/Village Elects to Use All Purpose Levy

Section 19-1309 R.R.S. 1943

Line No.	GENERAL ALL PURPOSE FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	REVENUES CONTINUED						
36							
37	City Sales Tax	06					
38							
39	Donations	U99 22					
40	Fees, Perm & Licenses	15 23					
42	Employee Contributions	U99 24					
43	Rental	A89 25					
44	Refunds	U99 26					
45	Parking	A60 27					
46	Interest on Investments	U20 29					
47							
48							
49							
50	Special Assessments	U01 33					
51	Assessment Interest	U01 35					
52	Registered Warrants	A89 36					
53							
54							
55							
56							
57	Sale of Lots	A89 41					
58	Perpetual Care	A89 43					
59	Grave Openings	A89 45					
60							
61	Tree Removal	A89 46					
62	Metered Sales	A91 47					
63							
64	Meter & Other Deposits	49					
65	Weeds Removal-Lien	A89 50					
66	Equipment Rentals	A89 51					
67	Curb Cuts	A44 52					
68							
69							
70	Water Sales	A91 55					
71	Landfill Use Fees	A81 56					

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____ COUNTY, NEBRASKA

Use Only when City/Village Elects to Use All Purpose Levy

Section 19-1309 R.R.S. 1943

Line No.	GENERAL ALL PURPOSE FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	REVENUES CONTINUED						
72	Miscellaneous	57					
73	Shop Sales	58					
74	Bond Sale Proceeds	59					
75							
76							
77							
78							
79							
80							
81							
82							
83							
84							
85							
86							
87							
88							
89	Transfers	42					
90	Total Lines 19-89						
91	Property Taxes	01					
92	Total Revenue Available						
93	Less: Expenditures					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
94	BALANCE FORWARD					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX

PROPERTY TAX RECAP	

1. Tax From Line 91
2. Compute Co. Treasurer's Commission at 1% of Line 91
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the FUND in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX
CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	GENERAL OBLIGATION DEBT SERVICE FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	EXPENDITURES	6000	(1)	(2)	(3)	(4)	(5)
1	Bond-Principal						
2	Bond-Interest						
3	Requirements -						
4	Fiscal Year						
5	Premium Payments						
6	Pension Payments						
7	Sinking Fund -						
8	Re-appropriated						
9	Fiscal Year Requirements						
10	Transfers						
11	Total Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
12	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX		
13	NECESSARY CASH RESERVE		XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX		
14	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX		
	REVENUES						
15	Net Cash Balance, 8-1						
16	Investments, 8-1						
17	Co. Treasurer Bal. 8-1						
18	State Revenue						
19	Homestead Exemption	06				XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
20	Pro Rate MV	09					
21	Local Revenue						
22	In Lieu Tax	03					
23	Investment interest	29					
24							
25	Transfers	42					
26	Total Lines 15-25						
27	Property Taxes	01					
28	Total Revenue Available						
29	Less: Expenditures					XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
30	BALANCE FORWARD					XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX

PROPERTY TAX RECAP

1. Tax From Line 27
2. Compute Co. Treasurer's Commission at 1% of Line 27
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1, Amt. Col.

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____

COUNTY, NEBRASKA

Use Only when City/Village Elects to Use All Purpose Levy

Section 19-1309 R.R.S. 1943

Line No.	SPECIAL ASSESSMENT DEBT SERVICE FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	EXPENDITURES	7000	(1)	(2)	(3)	(4)	(5)
1	Bond-Principal						
2	Bond-Interest						
3	Requirements -						
4	Fiscal Year						
5	Premium Payments						
6	Pension Payments						
7	Sinking Fund -						
8	Re-appropriated						
9	Fiscal Year Requirements						
10	Transfers						
11	Total Expenditures					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
12	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		
13	NECESSARY CASH RESERVE		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		
14	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		
	REVENUES						
15	Net Cash Balance, 8-1						
16	Investments, 8-1						
17	Co. Treasurer Bal. 8-1						
18	State Revenue						
19	Homestead Exemption	06				XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
20	Pro Rate MV	09					
21	Local Revenue						
22	In Lieu Tax	03					
23	Investment interest	29					
24	Transfers	42					
25	Total Lines 15-24						
26	Property Taxes	01					
27	Total Revenue Available						
28	Less: Expenditures					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
29	BALANCE FORWARD					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX

PROPERTY TAX RECAP

1. Tax From Line 26
2. Compute Co. Treasurer's Commission at 1% of Line 26
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1, Amt. Col.

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

ACCUMULATING SCHEDULE

All Purpose Fund		Code No.	Personal Services 10 (1)	Operating Expenses 20 (2)	Supplies 30 (3)	Equipment Rental 40 (4)	Capital Outlay 50 (5)	Debt Servicing 60 (6)	TOTAL (7)
EXPENDITURES									
1	GENERAL	1000							
2									
3									
4									
5									
6	Total								To 4 2
7	PUBLIC WORKS	2000							
8	Streets	2100							
9	Storm Sewer	2200							
10	Street Lighting	2300							
11	Water	2400							
12	Electric	2500							
13	Sanitary Sewer	2600							
14		2700							
15	Total								To 4 3
16	PUBLIC HEALTH-SAFETY	3000							
17	Fire Deaprtment	3100							
18	Police Department	3200							
19	Civil Defense	3300							
20	Cemetary	3400							
21	Sanitation	3500							
22	Ambulance	3600							
23									
24	Total								To 4 4
25	CULTURAL-RECREATION	4000							
26	Swimming Pool	4100							
27	Parks	4200							
28	Golf Course	4300							
29	Library	4400							
30	Museum	4500							
31		4600							
32		4700							
33	Total								To 4 5
34									

ACCUMULATING SCHEDULE

All Purpose Fund Continued EXPENDITURES	Code No.	Personal	Operating	Supplies	Equipment	Capital	Debt	TOTAL
		Services 10 (1)	Expenses 20 (2)	30 (3)	Rental 40 (4)	Outlay 50 (5)	Servicing 60 (6)	
35	PUBLIC BUILDINGS	5000						
36	City Hall	5100						
37	Auditorium	5200						
38		5300						
39		5400						
40	Total							To 4 6
41	GEN. OBL. DEBT SERVICE	6000						
42	Swimming Pool	6100						
43	Inter. Paving Bond	6200						
44		6300						
45		6400						
46		6500						
47		6600						
48	Total							To 4 7
49	SPEC. ASS'T. DEBT SERVICE	7000						
50		7100						
51		7200						
52		7300						
53		7400						
54		7500						
55		7600						
56	Total							To 4 8
57	FEDERAL REV. SHARING	8000						
58		8100						
59		8200						
60		8300						
61		8400						
62		8500						
63		8600						
64	Total							To 4 9
65								
66								

BUDGET STATEMENT AND CERTIFICATE OF TAX

CITY/VILLAGE, COUNTY, NEBRASKA

PART 1-Detail Sheet For The All Purpose Fund (Page 2, Lines 2-6 and Line 9) For The Year August 1, 1985 To July 31, 1986

All purpose fund expenditures	Current expenditures (A)		Capital expenditures (B)	
	1. General: secretary/treasurer, mayor, office help	E23		F23
2. Streets and street lighting	E44		F44	
3. Sanitary sewer and storm sewers	E80		F80	
4. Water utility	E91		F91	
5. Electric utility	E92		F92	
6. Sanitation	E81		F81	
7. Fire department	E24		F24	
8. Police department and jail	E62		F62	
9. Ambulance	E32		F32	
10. Cultural/recreation: swimming pool, parks, golf course, museum	E61		F61	
11. Library	E52		F52	
12. Cemetery, civil defense, all other expenditures	E89		F89	
Part II - Total Personal Services Expenditures (Also included in Part I, Column A.) Report here expenditure for salaries and wages for all employees including any utilities operated by your government.-----_			zoo	
Part III - Revenue Sharing Expenditures (Also included in Part I, Column A)				
Revenue sharing expenditures	All purpose fund proposed revenue sharing expenditures		All purpose fund actual revenue sharing expenditures	
	Current (A)	Capital (B)	Current (C)	Capital (D)
1. General: secretary/treasurer, mayor, office help	011	012	013	014
2. Streets and street lighting	067	068	069	070
3. Sanitary sewer, storm sewers, and sanitation	107	108	109	110
4. Water utility and electric utility	147	148	149	150
5. Fire department	091	092	093	094
6. Police department and jail	083	084	085	086
7. Cultural/recreation: swimming pool, parks, golf course, museum	123	124	125	126
8. Cemetery, civil defense, library, ambulance, all other expenditures	163	164	165	166

SPECIAL INSTRUCTIONS FOR COMPLETING THIS FUND PAGE

This fund page is designed to provide the actual expenditure detail that went into the totals reported on page 2, lines 2 to 6 and line 9. Expenditures should be reported for the fiscal year that began August 1, 1985 and ended July 31, 1986.

Part I

Column A - CURRENT EXPENDITURES are for salaries and wages and for day-to-day operations of your city/village.

Column B - CAPITAL EXPENDITURES are for purchase of equipment, land , buildings, and construction.

1. This item should include the financial and administrative operations of your city/village.
2. Include construction and maintenance of the city/village streets, sidewalks, and bridges. Report here expenditures for street lighting, snow removal, and highway engineering, control and safety. Report street cleaning in Item 6.
3. Include sewers and sewage disposal - construction, maintenance and operation of sanitary and storm sewer systems and sewage disposal plants.
- 4-5. Include gross expenditure for utility systems operated by your government.
6. Include street cleaning and disposal of refuse and garbage.
7. All costs incurred for fire fighting and fire prevention, including contributions to volunteer fire units.
8. Include law enforcement, coroners, medical examiners, and traffic control and safety activities.
9. Include costs for ambulance services provided to or for the city/village.
10. Include also playgrounds, community celebrations and zoos.
11. Include payments to private libraries as well as expenditures for city/village libraries.
12. Include any expenditures not reported in items 1 through 11. Do not include: payments for the retirement of debt, payments for purchase of securities, transfers between funds.

Appendix B

Appendix B

Auditor of Public Accounts - Room 2303 - State Capitol
Lincoln, NE 68509 - Telephone (402) 471-2111

State of Nebraska-Budget Form CV
010-68-010 - Revised 1-29-87

For State Auditor Use Only

7		
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**** RETURN COMPLETED BUDGETS FOR COUNTY BOARD AND AUDITOR OF PUBLIC ACCOUNTS TO YOUR COUNTY CLERK ****

(City/Village Name) _____

TO THE COUNTY BOARD AND COUNTY CLERK OF _____ COUNTY, NEBRASKA:

The undersigned hereby certifies that a proposed Budget Summary and Notice of Hearing was duly: (Check the method of notifying the Public of the budget hearing). Method of notifying the Public: Published _____ Mailed _____ Published _____

FURTHER, the undersigned certifies that the Public Hearing was held on the ___ day of _____, 19__ and that the Budget of Expenditures evidenced by the attached Budget was duly approved and adopted, and

FURTHER, the undersigned certifies that the following PROPERTY TAX is requested for the ensuing year:

<u>FUND</u>	<u>AMOUNT (FROM PROPERTY TAX RECAP. - LINE 4)</u>
General	_____
_____	_____
_____	_____
Total all Funds	_____

Secretary/Clerk - Please sign
 (Signature) _____
 (Address) _____
 (City) _____
 (Phone) () _____ (Zip) _____

Preparer
 (Name) _____
 Occupation _____
 (City) _____
 (Phone) () _____ (Zip) _____

THIS BLOCK FOR LEVYING BOARD/COUNTY BOARD ONLY

<u>FUNDS</u>	<u>LEVY</u>		<u>STATE AUDITOR'S USE</u>
General	_____	Final Actual Valuation,	
_____	_____	This County	_____
_____	_____	Final Actual Valuation,	
_____	_____	Other Counties	_____
Total Levy	=====	TOTAL Final Actual	
		Valuation	=====

Levy is based on 1¢ each \$100 Actual Value.

CHECKLIST---Have you Enclosed:

1. Budget pages for all funds. _____

2. Notice of Budget Hearing (Form NBH) _____

BUDGET DATE GUIDE - ON OR BEFORE:

AUG. 1 (Sec. 23-923) Prepare Budget. AUG. 12 Suggested date to Publish, Post or Mail Notice of Budget Hearing, W/Summary of the Budget Statement, at least 5 days prior to Hearing. AUG. 22 Suggested latest date to adopt budget. AUG. 25 (Sec. 23-927) Adopted budget filed with: a. County Board (c/o County Clerk), b. Auditor of Public Accounts (c/o County Clerk).

INSTRUCTIONS FOR PAGE 1

1. Check the method of notifying the public of the budget hearing.

Published - Proof of Publication MUST BE attached.

Mailed - To each resident within the political subdivision, INSTEAD OF publishing.

Posted - At the governing body's principle headquarters. May post ONLY when the total budget, not including cash reserves, does not exceed \$10,000 per year.

2. List the dollar amount of property tax needed to support the fund(s) listed. Obtain this figure from the property tax re-cap found at the bottom of each fund page you use. This figure will be Item 4 (Total Property Tax Requirement) of the Re-Cap. To properly Budget, Treasurers Commissions and Delinquent Tax Allowance must be taken into consideration.

3. The secretary or clerk of your subdivision must sign where indicated. If the budget is prepared by persons independent of your subdivision, please have them sign where indicated.

4. The check list is provided for your use. It may be beneficial to you to check off those budget documents needed to assure proper filings with the State Auditor and County Clerk. IMPORTANT: FILE THE COMPLETED COPIES FOR THE STATE AUDITOR AND COUNTY CLERK, WITH YOUR COUNTY CLERK. (SCHOOLS: FILE ADDITIONAL COPY WITH COUNTY SCHOOL SUPERINTENDENT.)

5. The budget dates are statutory and/or suggested as a guide only. Early budget preparation is encouraged to avoid last minute conflicts in filing dates.

6. Do not use the blocks at the bottom of the page designated for State Auditor and Levying Board use.

REQUEST FOR PROPERTY TAX - (MULTI-FUND BUDGETS)

(City/Village Name)

THIS SPACE FOR USE BY SUBDIVISION ONLY

THIS SPACE FOR USE BY LEVYING BOARD/COUNTY BOARD ONLY

<u>Funds (List)</u>	<u>Total Property Tax Request (From Budget)</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
<u>Total all funds</u>	\$ _____

<u>LEVY</u>

TOTAL LEVY _____

Levy is based on 1¢ each \$100 Actual Valuation.

Final Actual Valuation,
This County _____
Final Actual Valuation,
Other Counties _____

Total Actual Final
Valuation _____

INSTRUCTIONS FOR COMPLETING FUND BUDGET PAGES

The fund pages are designed to provide three years actual expense and income (Columns 1 through 3) and, provide anticipated proposed expense and income for the new fiscal year (Column 4). Column 5 (adopted) is not used unless changes are made in either expense or income as a result of public hearing and prior to adoption. CHANGES MUST BE PUBLISHED IN SUMMARY FORM WITHIN TWENTY DAYS OF ADOPTION. A NEW PUBLIC HEARING IS NOT REQUIRED.

Expense: From your records place in Columns 1 through 3 actual disbursements on a line item basis for that fiscal year. The total expenditures for Column (1) through (3) should equal the recorded expense of your unit of government. Note: If you complete the budget process prior to the conclusion of your fiscal year Column 3 may contain actual and estimated expense.

Cash Reserve: By law, you are entitled to a cash reserve not to exceed 50% of the Total Budget of Expenditures proposed in Columns (4) or (5); however, if you have included in this proposal any amounts for capital outlay such as machinery, vehicular equipment, building, land acquisition etc., you must reduce the total budget of expenditures by the amount of capital expense before computing allowable cash reserves. Cash reserves are an extremely important element of budgeting in that it provides a stable flow of cash during your fiscal year.

The Total Budget of Expenditures plus cash reserve will equal the Total requirements needed for the fund.

The revenue portion of the fund pages are designed so that the cash and income received will result in a balanced position with that of the fund expense and reserve needs.

The revenue for Column 1 through 3 should be Actual Revenues from your records.

In Column 4 place on designated source lines all income anticipated to be received during the new budget year, including transfers. Add together cash balances, investments and anticipated income. Place the sum of this total on the line identified as Total Revenue Available. This figure must be equal to that line in the fund Expense portion under Column 4 identified as Total Requirements, to produce a balanced fund budget.

THE PROPERTY TAX RECAP on the fund budget page assumes an extremely important role in considering the tax needed to support the fund. The County Treasurer will extract a percentage collection fee (commission) from tax collections received in that office, and credit your account with the net collection. Item 2 of the re-cap allows you to offset this loss of tax dollars. Additionally, there will always be some taxes not paid or lesser principal tax paid through foreclosure sale. To maintain the proper flow of property tax dollars so that, as nearly possible, 100% of fiscal year tax levy is collected for the period in which needed, you are authorized to levy a delinquent tax allowance on item 3 of the re-cap. The delinquent tax allowance may not exceed 5% of property tax plus actual percentage of prior year delinquency.

FUND SUMMARY

County, Nebraska

	Actual 1984 - 1985	Actual 1985 - 1986	Actual 1986 - 1987	Budget Proposed 1987 - 1988	Budget Adopted 1987 - 1988
Expenditures					
Operating					
Capital Outlay					
Debt Service					
Transfer					
Total Expenditures					
Revenues					
Net Cash Balance 1,					
Investments 1,					
County Treasurers Balance 1,					
Federal					
State					
Local					
Taxes					
Transfers					
Total Revenues					
Ending Fund Balance					

Note - Operating includes Personal Services, Operating Expense, Supplies and Materials, and Equipment Rental

Suggested Worksheets for Fund Summary (Page 3)
 Necessary to make 1 worksheet for each year 19__, 19__, 19__, 19__ Proposed 19__ Adopted

EXPENDITURES

Fund	Operating	Capital Outlay	Debt Service	Transfers		
General						
Total - Carry Forward to Summary Page 3						
<u>Revenues</u>	Beginning Balance	Federal	State	Local	Taxes	Transfers
General						
Total - Carry Forward to Summary - Page 3						
Ending Fund Balance						
General						
Total Carry Forward to Summary - Page 3						

Note - The first column "operating" includes total for Personal Services, Operating Expenses, Supplies and Materials and Equipment Rental.

TO ALL GOVERNMENT SUBDIVISIONS

LB 889 passed by the Legislature in 1986 amended Section 23-923. A portion of the amendment reads "a uniform summary of the proposed budget statement which shall include a separate total for each fund and a grand total of all funds maintained by the governing body."

Page 3 of your 1987-1988 budget has been added to meet this requirement.

Attached to this letter is a suggested worksheet to pull the information together for you. You would need to make at least 5 copies of the worksheet as each year would stand on its own. The suggested worksheets are for your use and are not a part of the budget document. We will need all of the funds summarized on page 3.

If you have any further question please contact my office.

Ray A. C. Johnson

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	GENERAL FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES	1000					
1	Personal Services	1010					
2	Operating Expenses	1020					
3	Supplies	1030					
4	Equipment Rental	1040					
5	Capital Outlay	1050					
6	Debt Servicing	1060					
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	Transfers						
25	Total Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
26	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
27	NECESSARY CASH RESERVE		XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
28	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX

Line No.	GENERAL FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	REVENUES	100	(1)	(2)	(3)	(4)	(5)
W61	29 Net Cash Balance, 8-1						
W61	30 Investment, 8-1						
	31 Co. Treasurer Bal. 8-1						
	32 Federal Revenue						
	33						
	34 State Revenue						
20	35 Pro Rate MV	09					
20	36 Insurance Tax	05					
17	37 Homestead Exemption	06				XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
	38						
	39						
	40 Local						
20	41 City Sales Tax						
U20	42 Investment interest	29					
21	43 In lieu tax	03					
	44						
	45						
	46						
	47						
	48 Transfers	42					
	49 Total Lines 29-48						
05	50 Property Taxes	01					
	51 Total Revenue Available						
	52 Less: Expenditures					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
	53 BALANCE FORWARD					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX

PROPERTY TAX RECAP

1. Tax From Line 50
2. Compute CO. Treasurer's Commission at 1% of Line 50
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the FUND in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	EXPENDITURES	2100	(1)	(2)	(3)	(4)	(5)
1	Personal Service	1					
2	Operating Expenses	2					
3	Supplies	3					
4	Equipment Rental	4					
5	Capital Outlays	5					
6	Debt Servicing	6					
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24	Transfers						
25	Total Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXX	
26	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		
27	NECESSARY CASH RESERVE		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		
28	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX		

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	EXPENDITURES	2100	(1)	(2)	(3)	(4)	(5)
1	Personal Service	1					
2	Salaries -	1 0300					
3	Administrative	1 0301					
4	Engineering	1 0302					
5	Maintenance	1 0303					
6	Construction	1 0304					
7	Clerical	1 0305					
8	Custodial	1 0306					
9		1					
10	Insurance Premiums -	1 0800					
11	Workmen's Compensation	1 0801					
12	Health-Accident	1 0802					
13	Group	1 0803					
14	Life	1 0804					
15		1					
16	Retirement Contributions	1 0900					
17	OASI-Social Security	1 1000					
18	Other Personal Services	1 1300					
19		1					
20	Unemploy. Contributions	1 1500					
21		1					
22		1					
23	TOTAL(To Page 6, Line 1)	1					
24		1					
25	OPERATING EXPENSES:	2					
26	Postage	2 0100					
27	Telephone	2 0200					
28	Radio Repair	2 0400					
29	Utilities -	2 0500					
30	Electricity	2 0501					
31	Water	2 0502					
32	Heating Fuel	2 0503					
33	Sewer	2 0504					
34	Garbage	2 0505					
35	Insurance Premiums -	2 0600					

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES						
36	General Liability	2 0601					
37	Physical Damage	2 0602					
38		2					
39	Employee Bond	2 0700					
40	Data Processing	2 1100					
41	Office Equipment Repair	2 1200					
42	Building Repair	2 1300					
43	Road Equipment	2 1400					
44	Road Equipment	2 1500					
45	Other Equipment Repairs	2 1600					
46	Travel Expenses -	2 1700					
47	Meals	2 1701					
48	Lodging	2 1702					
49	Transportation	2 1703					
50	Milage	2 1704					
51		2					
52	Other Operating Expenses-	2 1800					
53	Dues, Subscriptions, Reg.	2 1801					
54	Road Main. By Others	2 1802					
55	Snow Removal By Others	2 1803					
56	Express & Freight	2 2200					
57	Consulting Fees	2 2500					
58		2					
59		2					
60		2					
61	TOTAL (To Page 6, Line 2)						
62	SUPPLIES & MATERIALS	3					
63	Supplies	3 0100					
64	Office	3 0101					
65	Chemical	3 0102					
66	Janitorial	3 0103					
67	Technical	3 0104					
68	Medical	3 0105					
69	Shop Supplies	3 0106					
70	Plumbing	3 0107					
71	Electrical	3 0108					

BUDGET STATEMENT AND CERTIFICATION OF TAX
CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES						
72	Shop Tools	3 0109					
73	Small Tools, etc.	3 0110					
74		3					
75	Materials -	3 0200					
76	Asphaltic	3 0201					
77	Gravel & Barrow	3 0202					
78	Grader Blades	3 0203					
78	Snow Fence, etc.	3 0204					
79	Concrete, etc.	3 0205					
80	Culverts	3 0206					
81	Steel Products	3 0207					
82	Lumber	3 0208					
83	Mach. & Equip. -Fuel	3 0209					
84	Mach. & Equip. Grease/Oil	3 0210					
85	Mach. & Equip. Tire & Rep.	3 0211					
86	Equip. Repairs-Comm.	3 0212					
87	Erosion Control	3 0213					
88		3					
89	Traffic Control -	3 0300					
90	Signs	3 0301					
91	Sign Posts	3 0302					
92	Guard Rail & Posts	3 0303					
93	Guide Posts & Delineators	3 0304					
94	Signals	3 0305					
95	Pavement Marking	3 0306					
96	Highway Lighting	3 0307					
97	Flares, Flags, Barricade	3 0308					
99		3					
100	Misc. Supp. & Materials	3 0400					
101		3					
102		3					
103		3					
104		3					
105		3					
106	TOTAL (To Page 6. Line 3)	3					

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES-CONTINUED						
107	EQUIPMENT RENTAL:	4					
108	Road Equipment Rental	4 0100					
109	Office Equipment Rental	4 0200					
110	Land Rental	4 0400					
111	Building Rental	4 0500					
112		4					
113		4					
114	TOTAL (To Page 6, Line 4)	4					
115	CAPITAL OUTLAYS:	5					
116	Land-	5 0100					
117	Right-of-Way	5 0101					
118	Easement & Other	5 0102					
119		5					
120	Buildings	5 0200					
121	Machinery & Equipment	5 0300					
122	Cars	5 0301					
123	Pickups	5 0302					
124	Trucks	5 0303					
125		5					
126	Industrial Tractors	5 0304					
127	Dozer Tractors	5 0305					
128	Loaders	5 0306					
129	Motor Graders	5 0307					
130	Snow Moving Equip.	5 0308					
131	Street Sweepers	5 0309					
132	Asphalt Equipment	5 0310					
133	Radio Equipment	5 0311					
134		5					
135	Engineer & Tech. Equip.	5 0400					
136	Office Equipment	5 0500					
137	Spraying Equipment	5 0600					
138	Other Equipment	5 1100					
139		5					
140		5					
141	Hiway & Road Contracts	5 1200					
142	Armor Coating	5 1201					

BUDGET STATEMENT AND CERTIFICATION OF TAX

CITY/VILLAGE, _____

COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES-CONCLUDED						
150	Curb & Gutter	5 1204					
151	Bituminous Surfacing	5 1205					
152	Concrete Surfacing	5 1206					
153	Struct., Pipes & Cul.	5 1207					
154	Sidewalk	5 1208					
155	Traffic Service	5 1209					
156	Street Services	5 1210					
157	Bridges	5 1211					
158		5					
159	Special Fees	5 1300					
160	Legal	5 1301					
161	Engineering	5 1302					
162	Architectual	5 1303					
163	Surveyor	5 1304					
164	Engineer Testing	5 1305					
165	Consultant Management	5 1306					
166	Advertise. For Bids	5 1307					
167	Appraisers	5 1308					
168	Data Pro. Software	5 1309					
169		5					
170	Misc. Capital Outlays	5 1400					
171		5					
172		5					
173		5					
174		5					
176		5					
177	TOTAL (To Page 6, Line 5)	5					
178	DEBT SERVICING:	6					
179	Principle Retirement	6 0100					
180	Interest Payments	6 0200					
181		6					
182	TOTAL (To Page 6, Line 6)						
183							
184	GRAND TOTALS						

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	STREET FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	REVENUES	200	(1)	(2)	(3)	(4)	(5)
29	Net Cash Balance, 8-1						
30	Investments, 8-1						
31	Co. Treasurer Bal., 8-1						
32	Federal Revenue						
33							
34							
35	State Revenue						
36	Homestead Exemption	06				XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
37	Pro Rate M.V.	09					
38	Highway Allocation	11					
39	Incentive Payments	13					
40							
41							
42	Local Revenue						
43	In Lieu Tax	03					
44							
45							
46							
47	Share-Co. /Twp. Road Levy	15/17					
48	Interest on Investments	29					
49							
50	Transfers	42					
51	Total Lines 29-50						
52	Property Tax	01					
53	Total Revenue Available						
54	Less: Expenditures					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
55	BALANCE FORWARD					XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX

PROPERTY TAX RECAP

1. Tax From Line 52
2. Compute Co. Treasurer's Commission at 1% of Line 52
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	REVENUE SHARING FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
	EXPENDITURES		(1)	(2)	(3)	(4)	(5)
1	Maintenance & Operating						
2	Public Safety						
3	Environmental Protect						
4	Public Transportation						
5	Health						
6	Recreation						
7	Libraries						
8	Social Services for						
9	poor or aged						
10	Financial Admin.						
11	Capital Outlay						
12							
13							
14							
15							
16							
17	Transfers						
18							
19	Total Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
20	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX		
21	NECESSARY CASH RESERVE		XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX		
22	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX		
23	Net Cash Balance, 8-1						
24	Investment, 8-1						
25	Federal Revenue						
26	U.S. Treasury Revenue						
27							
28	Local Revenue						
29	Interest on Investment	29					
30							
31	Transfers	42					
32	Total Revenue Available						
33	Less: Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX
34	BALANCE FORWARD					XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES						
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29	Transfers						
30							
31							
32	Total Expenditures					XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
33	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		
34	NECESSARY CASH RESERVE		XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		
35	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
REVENUES							
35	Net Cash Balance, 8-1						
36	Investments, 8-1						
37	Co. Treasurer Bal. 8-1						
38							
39	Federal Revenue						
40	State Revenue						
41	Homestead Exemption	06				XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
42	Pro-Rate Motor Vehicle	09					
43							
44							
45							
46	Local Revenue						
47	Investment interest	29					
48	In lieu tax	03					
49							
50							
51							
52							
53							
54	Transfers	42					
55	Total Lines 35-54						
56	Property Taxes	01					
57	Total Revenue Available						
58	Less: Expenditures					XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
59	BALANCE FORWARD					XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX

PROPERTY TAX RECAP

1. Tax From Line 56
2. Compute Co. Treasurer's Commission at 1% of Line 56
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	BOND FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES						
1	Bond - Principal						
2	Bond - Interest						
3	Sinking Fund -						
4	Re-Appropriated						
5	Fiscal Year Require.						
6	Premium Payments						
7	Pension Payments						
8							
9	Requirements						
10	Fiscal Year 1988-89						
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29	Transfers						
30							
31	Total Expenditures					XXXXXXXXXXXX	XXXXXXXXXXXX
32	TOTAL BUDGET OF EXPENDITURES		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX		
33	NECESSARY CASH RESERVE		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX		
34	TOTAL REQUIREMENTS		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX		

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	BOND FUND	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
REVENUES							
35	Net Cash Balance, 8-1						
36	Investments, 8-1						
37	Co. Treasurer Bal. 8-1						
38	Federal Revenue						
39							
40							
41	State Revenue						
42	Pro-Rate Motor Vehicle	09					
43	Homestead Exemptions	06				XXXXXXXXXXXX	XXXXXXXXXXXX
44							
45							
46							
47							
48	Local Revenue						
49	Investment interest	29					
50	In lieu tax	03					
51							
52							
53							
54	Transfers	42					
55	Total Bal. Rev. & Trans						
56	Property Taxes	01					
57	Total Revenue Available						
58	Less: Expenditures					XXXXXXXXXXXX	XXXXXXXXXXXX
59	BALANCE FORWARD					XXXXXXXXXXXX	XXXXXXXXXXXX

PROPERTY TAX RECAP

1. Tax From Line 56
2. Compute Co. Treasurer's Commission at 1% of Line 56
3. Delinquent Tax Allowance
4. Total Property Tax Requirement. To Page 1

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

BUDGET STATEMENT AND CERTIFICATION OF TAX
 CITY/VILLAGE, _____ COUNTY, NEBRASKA

Line No.	FEDERAL GRANT PROJECTS	Code No.	8-1-1984 To 7-31-1985	8-1-1985 To 7-31-1986	8-1-1986 To 7-31-1987	8-1-1987 To 7-31-1988 Proposed	8-1-1987 To 7-31-1988 Adopted
			(1)	(2)	(3)	(4)	(5)
	EXPENDITURES						
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Transfers to Other Funds						
19	Total Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	
20	TOTAL REQUIREMENTS		XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX		
	REVENUES						
21	Net Cash Balance, 8-1						
22							
23	Federal Grants						
24	- Crime Commission						
25	- Highway Safety						
26	- Emergency Employment						
27							
28							
29	Transfers From Other Funds						
30							
31	Total Revenue Available						
32	Less: Expenditures					XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	
33	BALANCE FORWARD					XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	

NOTE: To present a balanced budget, TOTAL REVENUE AVAILABLE must agree with TOTAL REQUIREMENTS of the Fund in the proposed and adopted columns.

Appendix B

Appendix E

NEBRASKA VILLAGES

UNAUDITED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

GENERAL INSTRUCTIONS

- I. EXHIBIT "A" This statement starts with the beginning fund balances, details the cash receipts and cash disbursements for the year, and finishes with the fund balances available at the end of the year. There is also a section showing how much of the total fund balance is kept on hand, how much is in checking accounts, and how much is invested.
- A. Columns (1) through (6) provide for the inclusion of the following funds as laid out in the Chart of Municipal Accounts by our office and the League of Nebraska Municipalities:
1. General - Includes all financial transactions not properly accounted for in another fund.
 2. Public Works - Includes Street, Storm Sewer, Street Lighting, Water, Electric and Sanitary Sewer.
 3. Public Health and Safety - Includes Fire Department, Police Department, Civil Defense, Cemetery, Sanitation and Ambulance.
 4. Cultural and Recreation - Includes Swimming Pool, Park, Golf Course, Library and Museum.
 5. Public Buildings - Includes City Hall and Auditorium.
 6. Revenue Sharing - For Federal Revenue Sharing.

Not all funds are used by all villages. Use the columns which apply to your village. If needed, change a column heading to better describe a particular fund your village may have.

- II. EXHIBIT "B" This statement shows transactions the County Treasurer has performed on behalf of the village and the balances held by the County Treasurer's office for the village at the beginning and the ending of the year.

The information needed to complete Exhibit "B" is available from the "Statement of Accounts with the County Treasurer" which the village receives from the County Treasurer, or by contacting the County Treasurer's office directly.

- III. SCHEDULE 1 This schedule provides a listing of the village's investments, describing the type of investments and showing the amount invested at July 31 in each type. Investment types include certificates of deposit, federal notes, passbook savings accounts, and other types of interest-bearing accounts and instruments.

If any of the investments have restrictions as to when or how they can be spent (for example, money invested for a trust fund or to comply with loan requirements), those restrictions can be noted on Schedule 1 as part of the investment description.

This is not an optional schedule; it must be completed. If the village does not have any investments, please complete the schedule by writing "none".

The total amount of investments listed on Schedule 1 must equal the amount of investments on Line 55 of Exhibit "A".

IV. SCHEDULE 2 This schedule shows the details of all outstanding debt, including bond issues and FmHA loans.

For each bond issue, details shown should include a description of the issue, the interest rate, the maturity dates, and the amounts due.

For each loan (or any other type of financing) the details shown should include who the loan is from, the interest rate, the payment due dates, the payment amounts, and the total amount outstanding.

This is not an optional schedule; it must be completed. If the village does not have any outstanding debt, complete the schedule by writing "none".

V. SCHEDULE 3 This schedule provides a listing of all general fixed assets owned by the village. General fixed assets are items for which financial resources have been used and for which accountability should be maintained.

Land, buildings, machinery, and equipment are fixed assets which must be reported. The reporting of improvements other than buildings is optional. Such improvements include infrastructure items which are normally immovable and of value only to the village. Examples are roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems.

This is not an optional schedule; it must be completed. If the village does not own any general fixed assets, complete the schedule by writing "none".

DETAILED INSTRUCTIONS - EXHIBIT "A"

- Line 1 - Includes the beginning of year balances for all funds, which should be equal to the ending of year balances of last year's report. Differing balances could result if funds were combined, funds were separated, or an error was corrected. If Line 1 is not the same as last year's ending balances, attach an explanation of the difference(s).
- Line 2 - Includes all amounts transferred to the village from the County Treasurer. This line must agree with Line 83 of Exhibit "B".
- Line 3 - Includes all Highway Allocation Fund payments received from the State.
- Line 4 - Includes all interest received on investments during the year. Be sure to include the interest added to passbook savings accounts. (See General Instructions III, for definition of investments.)
- Line 5 - Self explanatory.
- Line 6 - Includes all amounts received from charges for services such as resale of electrical power and other utility services.
- Lines 7-9 - Self explanatory.
- Line 10 - Includes all amounts received from any bond issues made during the year.
- Lines 11-12 - Self explanatory.
- Lines 13-17 - List any receipts not included on Lines 2 through 12.

- Line 18 - Includes all transfers received from other funds of the village. This does not include transfers from the County Treasurer nor the proceeds of sale of investments (such as cashing a certificate of deposit). This line must agree with Line 50. If the amounts don't match, check to see if a transaction has been miscoded or if a fund has been omitted from the report.
- Line 19 - Add Lines 2 through 18. Represents total receipts during the year.
- Line 20 - Add Line 1 and Line 19.
- Lines 21-39 - Self explanatory.
- Lines 40-43 - Line items include actual payments made for capital outlay items. Don't forget to update Schedule 3 with these purchases.
- Line 44 - Includes all funds transferred to County Treasurer for bond payments or other long-term debt paid through the County Treasurer's office. Line 4 must equal Line 77. Don't forget to include the remaining outstanding bonds or other debt on Schedule 2.
- Line 45 - Includes all long-term debt payments not shown on Line 44, such as FmHA loan payments. Be sure to include the remaining outstanding debt on Schedule 2.
- Lines 46-49 - List any expenditures not included on Lines 21 through 45.
- Line 50 - Includes all amounts transferred to other funds of the village. This does not include transfers to the County Treasurer nor the purchase of investments. This line must agree with Line 18. If the amounts don't match, check to see if a transaction has been miscoded or if a fund has been omitted from the report.
- Line 51 - Add lines 21 through 50. Represents total disbursements during the year
- Line 52 - Equals Line 20 minus Line 51. The ending balances show the total amount available to each fund at July 31 regardless of where the money is kept (excluding the cash held at the County Treasurer's office). Column 7 of Line 52 must equal Line 56.
- Lines 53-56 - This section shows what the total fund balances consist of. Line 53 should equal the amount of cash on hand at the village offices, including petty cash. Line 54 should equal the amount of cash in the village checking account(s). Line 55 should equal the total amount of investments, which are detailed on Schedule 1. (See Schedule 1 instructions for definition of investments.) Line 56 is the sum of Lines 53 through 55, and must equal Column 7 of Line 52.
- Line 57 - Includes all monies held at the County Treasurer's office. Line 57 will equal Column 13 of Line 91.
- Line 58 - Includes all registered warrants outstanding.
- Line 59 - Equals Line 56 plus Line 57 minus Line 58. Represents the total amount of village monies held by the village and by the County Treasurer, less the amount owed for outstanding registered warrants.

DETAILED INSTRUCTIONS - EXHIBIT "B" (See also General Instructions)

- Line 60 - Includes the beginning of year balances for all monies held at the County Treasurer's office, which should be equal to the end of year balance of last year's report. If Line 60 is not the same as last year's ending balances, attach an explanation of the difference(s).
- Lines 61-76 - Self explanatory.
- Line 77 - Includes all monies transferred from the village to the County Treasurer for debt-service payments. Line 77 must equal Line 44.
- Lines 78-80 - Self explanatory.
- Line 81 - Equals the total sum of Lines 61 through 80.
- Line 82 - Equals Line 60 plus Line 81.
- Line 83 - Includes all amounts transferred to the village during the year. Line 83 must agree with Line 2.
- Lines 84-89 - Self explanatory.
- Line 90 - Equals the total sum of Lines 83 through 89.
- Line 91 - Equals Line 82 minus Line 90. This balance represents the amount of monies the County Treasurer has collected for the village but not yet remitted to the village. Column 13 of Line 91 must equal Line 57 of Exhibit "A".

ADDITIONAL INFORMATION

ACCOUNTING BASIS FOR ENTERPRISE FUNDS

As stated in the Memorandum, for enterprise funds of villages of under 800 population the accrual basis is an option. But an enterprise activity with bonded debt or which depends on voluntary clients for revenue can often benefit by using the accrual basis. (See the Memorandum for a definition of Enterprise Funds.) We strongly urge villages to use the accrual basis of accounting for such enterprise funds.

GENERAL FIXED ASSET RECORDS

We also strongly encourage each village to set up and maintain general fixed asset records. The benefits of such records include:

- increasing physical control
- increasing dollar value control
- setting stewardship responsibility
- providing data for repair and maintenance programs
- developing evidence for insurance claims
- planning for future purchases
- increasing public confidence in the village's accountability

Records for general fixed asset records can be as simple as a list showing:

- a description of the asset
- when the asset was purchased
- where the asset is kept
- dollar value of the asset
- when and how the asset was disposed of

The value of the asset should be listed at cost, if that information is on hand. When historical cost records are not complete for older assets, the best available estimate of value should be used. Be sure to record how those estimates were developed.

The benefits of having general fixed asset records are worth the effort of setting them up. Call our office for any help you need to get started.

Appendix C

SUGGESTED "SHORT FORM"

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY

State of Nebraska - Budget Form NBH

Statement of Publication

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY

_____, _____, County Nebraska

Public Notice is hereby given, in compliance with the provisions of Sections 23-921 to 23-933, R.R.S. 1943, that the governing body will meet on the _____ day of _____, 19__ at _____ o'clock _____ .M. at _____

for the purpose of hearing support, opposition, criticism, suggestions of observations of taxpayers relating to the following proposed budget and to consider amendments relative thereto. The budget detail is available at the Office of the Clerk/Secretary.

Clerk/Secretary

Actual Expense:

	General Fund	Fund
1. Prior Year 1984-1985	\$ _____	\$ _____
2. Prior Year 1985-1986	\$ _____	\$ _____
3. Current Year 1986-1987	\$ _____	\$ _____

Requirements:

4. Ensuing Year 1987-1988	+ \$ _____	\$ _____
5. Necessary Cash Reserve	+ \$ _____	\$ _____
6. Cash on Hand and Estimated other Revenue	- \$ _____	\$ _____
7. Collection Fee and Delinquent Allowance	+ \$ _____	\$ _____
8. Total Property Tax Requirement	= \$ _____	\$ _____

Notice: Attach - Proof of Publication if Published
 Attach - Copy of Notice, if Mailed or Posted

INSTRUCTIONS FOR COMPLETING

NOTICE OF BUDGET HEARING AND BUDGET SUMMARY-LONG FORM

The long form on the reverse is a suggested sample. If used, follow the printing instructions provided. If you choose not to use this format you should be aware that Section 23-925, R.R.S. 1943, requires a summary of the proposed budget statement to be published, mailed or posted. The summary should include the total budget of expenditures of the current and the prior two fiscal years. In addition, estimated expenses and cash reserves by fund and unencumbered cash balances and estimated revenues by fund should be stated for the new or proposed budget year.

The last two sentences of the suggested format would only be utilized if the same Public Hearing is used to meet both statutory and Federal Revenue Sharing requirements.

All the information needed to properly complete this summary will be found in your fund budget pages. First, list all funds on the form, regardless of the fact that you may not be requesting tax dollars to support the funds.

Proceed as follows:

- Column 1 from TOTAL EXPENDITURES, Fund Column 1
- Column 2 from TOTAL EXPENDITURES, Fund Column 2
- Column 3 from TOTAL EXPENDITURES, Fund Column 3
- Column 4 from TOTAL BUDGET OF EXPENDITURES, Fund Column 4
- Column 5 from NECESSARY CASH RESERVE, Fund Column 4
- Column 6 from Net Cash Balance + Investments + County Treasurer's Balance + Specific line item Revenues (Exclude Property Tax - See Column 8), Fund Column 4
- Column 7 from PROPERTY TAX RECAP, items 2 and 3 Fund Column 4
- Column 8 from PROPERTY TAX RECAP, item 4 Fund Column 4

Total all Columns and Proof.

Send original copy to Printer or Newspaper -
 Use Black Ink Only

Appendix D

Appendix D

TRANSMITTAL OF VILLAGE REPORT

The attached exhibits and supporting schedules were prepared from the books and records of the village, and, to the best of my knowledge and belief, present the recorded transactions for the year ended July 31, 19____ and the balances at that date.

(Name of Village)

(Authorized Signature)

Date

(Title)

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - ALL FUNDS
FOR THE YEAR ENDED JULY 31, 19____
(SEE DETAILED INSTRUCTIONS - EXHIBIT A)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	General	Public Works	Public Health & Safety	Cultural and Recreation	Public Buildings	Revenue Sharing	Totals
1	Beginning Balances, August 1, 19____	\$	\$	\$	\$	\$	\$
2	Receipts:						
	Transfers from County Treasurers (from line 83)						
3	Highway Fund Allocation						
4	Interest Income						
5	Fees, Permits and Licenses						
6	Charges for Services						
7	Rent Income - Public Power District						
8	Rent Income - Other						
9	Miscellaneous Taxes (Occupation, Bingo, etc.)						
10	Bond Sale Proceeds						
11	Revenue Sharing Entitlements						
12	Federal and State Grants						
	Other Receipts (Describe):						
13							
14							
15							
16							
17							
18	Transfers from Other Village Funds (from line 50)						
19	Total Receipts and Transfers (lines 2 thru 19)						
20	Total Funds Available (line 1 plus line 19)						
	Disbursements:						
	Personal services:						
21	Salaries and wages						
22	Payroll taxes						
23	Retirement						
24	Insurance						
25	Other employee benefits						
	Operating expenses:						
26	Professional services						
27	Communication						
28	Transportation						
29	Advertising						
30	Printing and binding						
31	Insurance						
32	Utilities (used by village)						

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	General	Public Works	Public Health & Safety	Cultural and Recreation	Public Buildings	Revenue Sharing	Totals
	Operating expenses (continued):						
33	Repairs and maintenance	\$	\$	\$	\$	\$	\$
34	Rent expense - Building and Grounds						
35	Miscellaneous						
36	Utility services (purchased for resale)						
37	Office supplies						
38	Operating supplies						
39	Equipment rental						
	Capital Outlays:						
40	Land						
41	Buildings						
42	Improvements other than buildings						
43	Machinery and equipment						
	Debt Services:						
44	Transfers to County Treasurer (to line 77)						
45	Other Debt Service Payments						
	Other Disbursements (Describe):						
46							
47							
48							
49							
50	Transfers to other Village funds (to line 18)						
51	Total Disbursements and Transfers (lines 21 thru 50)						
52	Ending Balances, July 31, 19____ (line 20 minus line 51) (must equal line 56)						
	Balances Classified by Depository:						
53	Change and Petty Cash Funds on Hand						\$
54	Cash in Banks						
55	Investments (from Schedule 1)						
56	Sub-Total (must equal line 52)						\$
57	Cash and Investments at County Treasurer's Office (from line 91)						
58	Outstanding Registered Warrants						()
59	Total Balances (line 56 plus line 57 minus line 58)						\$

VILLAGE OF _____, NEBRASKA
 STATEMENT OF ACCOUNTS WITH COUNTY TREASURER
 FOR THE YEAR ENDED JULY 31, 19____
 (SEE DETAILED INSTRUCTIONS - EXHIBIT B)

EXHIBIT B

Line No.		(8) General Fund	(9) Road Fund	(10) Bond Funds	(11) Other	(12) Other	(13) Totals
60	BALANCES PER COUNTY TREASURER'S RECORDS - AUGUST 1, 19____ (Beginning of Year)	\$	\$	\$	\$	\$	\$
	ADD-RECEIPTS: (County Source Code)						
61	Motor vehicle taxes (304.00)						
62	General property taxes (305.XX)						
63	Interest on delinquent taxes (306.00)						
64	Homestead exemption allocation (344.01)						
65	Personal property tax relief allocation (344.02)						
66	Governmental subdivision allocation (345.01)						
67	Insurance tax allocation (345.02)						
68	Motor vehicle pro-rate tax allocation (346.01)						
69	In-lieu-of taxes - 1957 and prior (353.01)						
70	In-lieu of taxes - 5% gross revenue (353.02)						
71	Special Assessments (490.00)						
72	Interest on Special Assessments (491.00)						
73	Interest on Investments (510.01)						
74	Share of County Road Levy (351.02)						
75	Share of Township Road Levy (351.03)						
76	Miscellaneous (540.01)						
77	Transfers from village (from line 44) (590.01)						
	Other Receipts (Describe):						
78							
79							
80							
81	Total Receipts (lines 61 thru 80)						
82	TOTAL TO ACCOUNT FOR (Line 60 plus line 81)						
	DEDUCT-DISBURSEMENTS:						
83	Transfers to village (to line 2)						
84	Retirement of bonds						
85	Interest on bonds						
86	County Treasurer's Fees						
	Other Disbursements (Describe):						
87							
88							
89							
90	Total Disbursements						
91	BALANCE PER COUNTY TREASURER'S RECORDS, END OF YEAR JULY 31, 19____ (line 82 minus line 90) (to line 57)						

VILLAGE OF _____, NEBRASKA

SCHEDULE OF INVESTMENTS
July 31, 19____
(total to line 55)

Schedule 1

<u>Description</u>	<u>Amount</u>
	\$

SCHEDULE OF OUTSTANDING DEBT
July 31, 19____

Schedule 2

BONDS OUTSTANDING

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Amount</u>
			\$

LOANS (or other Debt) OUTSTANDING:

<u>Description</u>	<u>Interest Rate</u>	<u>Payment Due Dates</u>	<u>Payment Amounts</u>
			\$

GENERAL FIXED ASSETS
July 31, 19____

Description

Location