

**AUDIT REPORT
OF
SAUNDERS COUNTY**

JULY 1, 2009 THROUGH JUNE 30, 2010

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the Auditor of Public Accounts.**

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Issued on May 3, 2011

SAUNDERS COUNTY

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SAUNDERS COUNTY
LIST OF COUNTY OFFICIALS
 At June 30, 2010

Name	Title	Term Expires
Doris Karloff	Board of Supervisors	Jan. 2013
Dave Lutton		Jan. 2011
Scott Sukstorf		Jan. 2013
Kenneth Kuncel		Jan. 2011
Craig Breunig		Jan. 2011
Leroy Hanson		Jan. 2011
James Fauver		Jan. 2013
Scott Tingelhoff	Attorney	Jan. 2011
Patti Lindgren	Clerk Election Commissioner	Jan. 2011
Don Clark	Register of Deeds	Jan. 2011
Paul Johnson	Clerk of the District Court	Jan. 2011
Kevin Stukenholtz	Sheriff	Jan. 2011
Patricia Hunter	Treasurer	Jan. 2011
Herbert Barnes	Veterans' Service Officer	Appointed
Ed Sladky	Weed Superintendent	Appointed
Steve Mika	Highway Superintendent	Appointed
George Borreson	Planning & Zoning	Appointed
Sheri Schaeffer	Senior Services	Appointed
Pam Lausterer	Youth Services	Appointed
Terry Miller	Emergency Management	Appointed



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SAUNDERS COUNTY

INDEPENDENT AUDITORS' REPORT

Board of Supervisors
Saunders County, Nebraska

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County, as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

As discussed in Note 1, these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

The financial statements referred to above include only the primary government of Saunders County, which consists of all funds, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the County's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of Saunders County as of June 30, 2010, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash balances of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of Saunders County, as of June 30, 2010, and the respective changes in cash balances thereof for the year then ended in conformity with the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2011, on our consideration of Saunders County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The budgetary comparison information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The County has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statement, nonmajor budgetary comparison information, schedule of office activity, and schedule of taxes certified and collected, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole on the basis of accounting described in Note 1.

Signed Original on File

April 26, 2011

Deann Haeffner, CPA
Assistant Deputy Auditor

SAUNDERS COUNTY
STATEMENT OF NET ASSETS - CASH BASIS
 June 30, 2010

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents (Note 1.D)	\$ 8,273,274
TOTAL ASSETS	<u>\$ 8,273,274</u>
 NET ASSETS	
Restricted for:	
Veterans' Aid	\$ 95,118
E911 Services	161,842
Other Purposes	28,996
Debt Service	4,861,202
 Unrestricted	 3,126,116
TOTAL NET ASSETS	<u>\$ 8,273,274</u>

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

SAUNDERS COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2010

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General Government	\$ (4,806,225)	\$ 658,947	\$ 120,591	\$ (4,026,687)
Public Safety	(3,592,188)	1,491,017	74,745	(2,026,426)
Public Works	(3,438,630)	-	2,240,989	(1,197,641)
Health and Sanitation	(31,183)	-	-	(31,183)
Public Assistance	(507,009)	78,945	150,412	(277,652)
Culture and Recreation	(47,995)	-	-	(47,995)
Debt Payments	(1,957,174)	-	-	(1,957,174)
Capital Outlay	(59,171)	-	-	(59,171)
Total Governmental Activities	\$ (14,439,575)	\$ 2,228,909	\$ 2,586,737	(9,623,929)

General Receipts:	
Property Taxes	6,892,604
Grants and Contributions Not Restricted to Specific Programs	750,652
Investment Income	176,080
Licenses and Permits	175,405
Bond Reimbursement	1,380,000
Miscellaneous	274,155
Total General Receipts	9,648,896
Change in Net Assets	24,967
Net Assets - Beginning	8,248,307
Net Assets - Ending	\$ 8,273,274

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

SAUNDERS COUNTY
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES
GOVERNMENTAL FUNDS
June 30, 2010

	General Fund	Road Fund	Inheritance Fund	Health Services Bond Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents (Note 1.D)	\$ 606,758	\$ 243,616	\$ 972,617	\$ 4,519,388	\$ 1,930,895	\$ 8,273,274
TOTAL ASSETS	<u>\$ 606,758</u>	<u>\$ 243,616</u>	<u>\$ 972,617</u>	<u>\$ 4,519,388</u>	<u>\$ 1,930,895</u>	<u>\$ 8,273,274</u>
FUND BALANCES						
Unreserved, reported in:						
General fund	\$ 606,758	\$ -	\$ -	\$ -	\$ -	\$ 606,758
Special revenue funds	-	243,616	972,617	-	1,579,908	2,796,141
Debt service funds	-	-	-	4,519,388	341,814	4,861,202
Capital project funds	-	-	-	-	9,173	9,173
TOTAL CASH BASIS FUND BALANCES	<u>\$ 606,758</u>	<u>\$ 243,616</u>	<u>\$ 972,617</u>	<u>\$ 4,519,388</u>	<u>\$ 1,930,895</u>	<u>\$ 8,273,274</u>

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

SAUNDERS COUNTY
**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BASIS FUND BALANCES**
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2010

	General Fund	Road Fund	Inheritance Fund	Health Services Bond Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS						
Property Taxes	\$5,561,797	\$ -	\$ 463,144	\$ 163,834	\$ 703,829	\$ 6,892,604
Licenses and Permits	175,405	-	-	-	-	175,405
Interest	103,036	-	-	64,727	8,317	176,080
Intergovernmental	724,878	2,253,413	-	14,258	344,840	3,337,389
Charges for Services	2,134,418	-	-	-	94,491	2,228,909
Miscellaneous	62,797	33,403	21	1,433,651	124,283	1,654,155
TOTAL RECEIPTS	<u>8,762,331</u>	<u>2,286,816</u>	<u>463,165</u>	<u>1,676,470</u>	<u>1,275,760</u>	<u>14,464,542</u>
DISBURSEMENTS						
General Government	4,334,970	-	200,237	1,048	269,970	4,806,225
Public Safety	3,248,582	-	-	-	343,606	3,592,188
Public Works	139,397	2,984,852	-	-	314,381	3,438,630
Health and Sanitation	31,183	-	-	-	-	31,183
Public Assistance	189,767	-	-	-	317,242	507,009
Culture and Recreation	26,000	-	-	-	21,995	47,995
Debt Service:						
Principal Payments	-	-	-	445,000	-	445,000
Interest and Fiscal Charges	-	-	-	987,809	524,365	1,512,174
Capital Outlay	-	-	-	-	59,171	59,171
TOTAL DISBURSEMENTS	<u>7,969,899</u>	<u>2,984,852</u>	<u>200,237</u>	<u>1,433,857</u>	<u>1,850,730</u>	<u>14,439,575</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>792,432</u>	<u>(698,036)</u>	<u>262,928</u>	<u>242,613</u>	<u>(574,970)</u>	<u>24,967</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	676,197	678,781	100,000	-	617,616	2,072,594
Transfers out	(1,234,655)	-	(837,939)	-	-	(2,072,594)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(558,458)</u>	<u>678,781</u>	<u>(737,939)</u>	<u>-</u>	<u>617,616</u>	<u>-</u>
Net Change in Fund Balances	233,974	(19,255)	(475,011)	242,613	42,646	24,967
CASH BASIS FUND BALANCES - BEGINNING	<u>372,784</u>	<u>262,871</u>	<u>1,447,628</u>	<u>4,276,775</u>	<u>1,888,249</u>	<u>8,248,307</u>
CASH BASIS FUND BALANCES - ENDING	<u>\$ 606,758</u>	<u>\$ 243,616</u>	<u>\$ 972,617</u>	<u>\$4,519,388</u>	<u>\$ 1,930,895</u>	<u>\$ 8,273,274</u>

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

SAUNDERS COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - CASH BASIS
FIDUCIARY FUNDS
 June 30, 2010

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 3,280,779
 LIABILITIES	
Due to other governments	
State	347,631
Schools	2,270,445
Educational Service Units	4,310
Technical College	19,702
Natural Resource Districts	12,332
Fire Districts	14,530
Municipalities	81,985
Agricultural Society	2,667
Drainage Districts	42,953
Townships	16,120
Sanitary and Improvement Districts	423,140
Others	44,964
TOTAL LIABILITIES	3,280,779
 TOTAL NET ASSETS	 \$ -

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2010

1. **Summary of Significant Accounting Policies**

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

A. Reporting Entity

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

Component Unit. These financial statements present the County (the primary government). The Saunders County Hospital (Hospital) is a component unit of the County because of the significance of its operational and financial relationships with the County. The financial statements do not include the data of the Hospital necessary for reporting in conformity with generally accepted accounting principles (GAAP). Complete financial statements of the Hospital can be obtained from the Hospital's administrative office.

Joint Organization.

Behavioral Health Region V - The County has entered into an agreement with surrounding counties and the Nebraska Health and Human Services System to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. The Region consists of the following counties: Polk, Butler, Saunders, Seward, Lancaster, Otoe, Fillmore, Saline, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, York, and Richardson.

The governing board for the Region includes representatives from the participating county boards. Each county contributes to the financial support of the Region activities based on formulas developed by the Region governing board and as required by the Act. Funding is provided by a combination of federal, state, local, and private funding. The

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

County contributed \$75,061 toward the operation of the Region during fiscal year 2010. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Health and Human Services System requires the Region to be audited annually in accordance with State Statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with Three Rivers Health Department (Department) to provide public health services. Agreements were established under authority of the Interlocal Cooperation Act for services to be provided per Neb. Rev. Stat. §§ 71-1626 to 71-1636.

The Department's governing board is established by statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of Federal, State, local, and private funding. The County did not make any contributions towards the operation of the Department during fiscal year 2010. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Department is required to be audited annually in accordance with Neb. Rev. Stat. § 84-304. Financial information for the Department is available in that report.

B. Basis of Presentation

Government-wide Financial Statements. The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County, and are in the format of government-wide statements as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities and the Hospital. Internal activities in these statements was considered immaterial and have not been eliminated. Governmental GAAP would require internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities generally are financed through taxes, intergovernmental receipts, and other nonexchange transactions. The County is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct disbursement of a given function or segment is offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

Fund Financial Statements. The fund financial statements provide information about the County's funds, including its fiduciary funds. GAAP requires separate statements by fund category - governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

Road Fund. This fund is used to account for costs associated with the repair and maintenance of roads and bridges.

Inheritance Fund. This fund is used to account for the receipts generated from estate taxes.

Health Services Bond Fund. This fund accounts for the resources for, and the payment of, long-term debt principal, interest and related costs associated with bonds issued for the construction of hospital facilities.

The County reports the following additional fund types:

Special Revenue Funds. These funds account for the proceeds from a specific receipt source that is restricted to disbursements for a specified purpose.

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

Capital Project Funds. These funds account for all resources received and used for the acquisition or development of major capital improvements.

Debt Service Funds. These funds account for the resources for, and the payment of, general long-term debt principal, interest, and related costs.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

assets and fund balances arising from cash transactions on the Statement of Net Assets - Cash Basis and the Statement of Activities - Cash Basis. Receipts are recognized when received and disbursements are recognized when warrants are paid. This differs from governmental GAAP, which requires the government-wide and fiduciary fund financial statements to be reported using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus and basis of accounting receipts are recorded when earned and disbursements are recorded when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements were also reported on the cash receipt and disbursement basis of accounting. As such, the same measurement focus and basis of accounting were used as described above. This differs from governmental GAAP, which require governmental fund financial statements to be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this measurement focus and basis of accounting, receipts are recognized as soon as they are both measurable and available. Receipts are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Disbursements generally are recorded when a liability is incurred, as under accrual accounting. However, disbursements related to compensated absences and claims and judgments are recorded only when payment is due.

D. Assets and Net Assets

Cash and Cash Equivalents. The County's cash and cash equivalents are considered to be cash on hand and demand deposits.

Investments. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. §§ 77-2315, 77-2340, and 77-2341 (Reissue 2009), and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities which are authorized by the Nebraska Investment Council.

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

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

Restricted Net Assets. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then the unrestricted resources, as they are needed. Net assets are reported as restricted when constraints placed on their use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The government-wide statement of net assets reports \$5,147,158 of restricted net assets, of which \$285,956 is restricted by enabling legislation.

2. **Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. § 77-2315 (Reissue 2009).

At year end, the County's carrying amount of deposits was \$8,273,274 for County funds and \$3,280,779 for Fiduciary funds. The bank balances for all funds totaled \$11,598,255. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits as of June 30, 2010, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

3. **Property Taxes**

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

Counties are permitted by the State Constitution to levy a tax of up to \$.50/\$100 of assessed valuation for general governmental services other than the payment of principal and interest on bonded debt. They may levy taxes in addition to the 50 cent limitation upon a vote of the people.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Property Taxes** (Concluded)

The levy set in October 2009, for the 2009 taxes which will be materially collected in May and September, 2010, was set at \$.29554/\$100 of assessed valuation. The levy set in October 2008, for the 2008 taxes which were materially collected in May and September, 2009, was set at \$.29822/\$100 of assessed valuation. The amount collected for motor vehicle tax is outlined in State Statute.

Additionally, there is currently a statutory lid limitation which limits taxation to the prior year's level, with provisions for growth. It may be increased by 1% by a three-fourths majority of the County Board.

4. **Retirement System**

The Retirement System for Nebraska Counties (the Plan) is a multiple-employer plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The plan consists of a defined contribution option and a cash balance benefit. The cash balance benefit is a type of defined benefit plan. The Plan provisions are established under Neb. Rev. Stat. §§ 23-2301 through 23-2335 and may be amended through legislative action.

Participation in the Plan is required of all full time employees. Part time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 20. Part time elected officials may exercise the option to join.

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by Neb. Rev. Stat. §§ 23-2307 and 23-2308 (Reissue 2007), and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts. The employee's account is fully vested. The employer's account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Prior service benefits are paid directly by the County to the retired employee.

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. Retirement System (Concluded)

For the year ended June 30, 2010, 194 employees contributed \$255,365; the County contributed \$382,214. Additionally, for the year ended June 30, 2010, 20 law enforcement employees and the County contributed \$7,502 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$1,452 directly to 15 retired employees for prior service benefits.

5. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 78 counties throughout Nebraska.

The County pays an annual deposit premium as calculated by the administrator of the pool. The premium is based on the losses and exposures of each County and the entire Pool. If the Pool becomes insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year, divided by the contribution of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, shall be sent to each county in writing, and each county shall thereafter have sixty (60) days in which to pay the amount of such assessment. Each county shall remain liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, and for liabilities of the Pool incurred during such county's period of membership.

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

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

The County has not paid any additional assessments to the Pool in the last three fiscal years and no assessments are anticipated for fiscal year 2011. The County has not had to pay out any amounts that exceeded coverage provided by the Pool in the last three fiscal years.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

6. Interfund Transfers

Interfund transfers for the year ended June 30, 2010, consisted of the following:

Transfers to	Transfers from		Total
	General Fund	Inheritance Fund	
General Fund	\$ -	\$ 676,197	\$ 676,197
Inheritance Fund	100,000	-	100,000
Road Fund	678,781	-	678,781
Nonmajor Funds	455,874	161,742	617,616
Total	\$ 1,234,655	\$ 837,939	\$ 2,072,594

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

7. Capital Leases Payable

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

	Snogo Snowblower
Balance July 1, 2009	\$ -
Payments	-
Purchases	107,362
Balance June 30, 2010	\$ 107,362
Future Payments:	
Year	
2011	\$ 21,472
2012	21,473
2013	21,472
2014	21,473
2015	21,472
Total Payments	107,362
Less Interest	15,362
Present Value of Future Minimum Lease Payments	\$ 92,000
Carrying Value of the related Fixed Asset	\$ 92,000

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

8. Interfund Loans

Receivable Fund	Payable Fund	Amount
Building Fund	General Fund	\$ 241,543

In the fiscal year ended June 30, 2003, the County experienced a cash flow problem in its General Fund and adopted a resolution in September 2002 which authorized borrowing up to \$750,000 from the Building Fund. Subsequent resolutions authorized borrowing against remaining funds not borrowed. The County's intent, as stated in its authorizing resolution, was that the Building Fund was to be repaid within ten years, or sooner if possible. In fiscal year 2010 no additional monies were borrowed from the Building Fund. At June 30, 2010, the unpaid Building Fund loan balance totaled \$241,543.

9. Contingent Liabilities

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

10. Long-Term Debt

Hospital Bond. The County issued bonds in November 2005 in the amount of \$9,400,000 and in January 2006 in the amount of \$12,740,000; a total of \$22,140,000 for the purpose of paying the costs of acquiring a site and constructing and equipping a new hospital clinic and long-term care facility. The bond payable balance as of June 30, 2010, was \$21,265,000. Saunders County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. These future tax resources as well as proceeds from said facility will be used to pay off the bonds. Complete financial statements of the Hospital can be obtained from the Hospital's administrative office.

Future Payments:

Year	Principal	Interest	Total
2011	\$ 465,000	\$ 971,879	\$ 1,436,879
2012	480,000	954,865	1,434,865
2013	495,000	936,771	1,431,771
2014	515,000	917,469	1,432,469
2015	535,000	896,876	1,431,876
2016-2020	3,025,000	4,130,741	7,155,741
2021-2036	15,750,000	6,963,133	22,713,133
Total Payments	\$ 21,265,000	\$ 15,771,734	\$ 37,036,734

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

10. Long-Term Debt (Concluded)

Law Enforcement Center Bond. The County issued bonds in December 2006 in the amount of \$7,990,000 and in January 2007 in the amount of \$5,000,000; a total of \$12,990,000 for the purpose of paying the costs of acquiring a site and constructing and equipping a new law enforcement facility. The bond payable balance as of June 30, 2010, was \$12,990,000. Saunders County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 555,000	\$ 514,706	\$ 1,069,706
2012	580,000	494,809	1,074,809
2013	595,000	473,917	1,068,917
2014	610,000	452,191	1,062,191
2015	655,000	429,164	1,084,164
2016-2020	3,590,000	1,751,475	5,341,475
2021-2036	6,405,000	1,020,018	7,425,018
Total Payments	<u>\$ 12,990,000</u>	<u>\$ 5,136,280</u>	<u>\$ 18,126,280</u>

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 5,575,602	\$ 5,575,602	\$ 5,561,797	\$ (13,805)
Licenses and Permits	154,700	154,700	175,405	20,705
Interest	175,000	175,000	103,036	(71,964)
Intergovernmental	323,400	323,400	724,878	401,478
Charges for Services	2,390,650	2,390,650	2,134,418	(256,232)
Miscellaneous	55,000	55,000	62,797	7,797
TOTAL RECEIPTS	8,674,352	8,674,352	8,762,331	87,979
DISBURSEMENTS				
General Government:				
County Board	146,124	146,124	141,890	4,234
County Clerk	137,520	137,520	134,098	3,422
County Treasurer	289,624	298,530	298,530	-
Register of Deeds	95,516	95,516	93,327	2,189
Election Commissioner	101,378	101,378	88,673	12,705
Building and Zoning	86,280	86,280	81,333	4,947
Board of Equalization	14,250	14,480	14,480	-
Clerk of the District Court	86,716	86,716	85,001	1,715
District Judge	42,960	42,960	37,408	5,552
Public Defender	167,860	167,860	157,026	10,834
Building and Grounds	75,095	75,095	71,271	3,824
Agricultural Extension Agent	83,051	83,051	80,148	2,903
Child Support Services - District Court	44,215	44,215	36,274	7,941
Child Support Services - Attorney	157,432	157,432	151,196	6,236
Building Security	96,255	96,255	84,688	11,567
Miscellaneous	2,667,400	2,658,264	2,640,680	17,584
Maintenance LE&J Center	152,400	152,400	138,947	13,453
Public Safety:				
County Sheriff	1,054,230	1,054,230	1,000,337	53,893
County Attorney	299,647	299,647	299,636	11
County Attorney Grant	16,551	16,551	16,548	3
County Jail	1,947,660	1,947,660	1,866,256	81,404
County Sheriff Grant	64,641	64,641	21,879	42,762
Miscellaneous	30,129	30,129	43,926	(13,797)

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DISBURSEMENTS (Continued)				
Public Works:				
County Surveyor	91,140	91,140	89,499	1,641
Noxious Weed Control	58,832	58,832	49,898	8,934
Public Health:				
Miscellaneous	33,806	33,806	31,183	2,623
Public Assistance:				
Veterans' Service Officer	43,361	43,361	42,877	484
Institutions	12,500	12,500	7,993	4,507
Medical Relief	25,000	47,040	47,040	-
Miscellaneous	124,295	102,255	84,191	18,064
Unemployment Compensation	10,000	10,000	7,666	2,334
Culture and Recreation:				
Miscellaneous	26,000	26,000	26,000	-
TOTAL DISBURSEMENTS	<u>8,281,868</u>	<u>8,281,868</u>	<u>7,969,899</u>	<u>311,969</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>392,484</u>	<u>392,484</u>	<u>792,432</u>	<u>399,948</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,027,630	2,027,630	676,197	(1,351,433)
Transfers out	(1,411,427)	(1,411,427)	(1,234,655)	176,772
TOTAL OTHER FINANCING SOURCES (USES)	<u>616,203</u>	<u>616,203</u>	<u>(558,458)</u>	<u>(1,174,661)</u>
Net Change in Fund Balance	1,008,687	1,008,687	233,974	(774,713)
FUND BALANCES - BEGINNING	<u>372,784</u>	<u>372,784</u>	<u>372,784</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ 1,381,471</u></u>	<u><u>\$ 1,381,471</u></u>	<u><u>\$ 606,758</u></u>	<u><u>\$ (774,713)</u></u>

(Concluded)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Intergovernmental	\$ 2,200,000	\$ 2,200,000	\$ 2,253,413	\$ 53,413
Charges for Services	15,000	15,000	-	(15,000)
Miscellaneous	31,500	31,500	33,403	1,903
TOTAL RECEIPTS	2,246,500	2,246,500	2,286,816	40,316
DISBURSEMENTS	3,656,088	3,656,088	2,984,852	671,236
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(1,409,588)	(1,409,588)	(698,036)	711,552
OTHER FINANCING SOURCES (USES)				
Transfers in	1,146,717	1,146,717	678,781	(467,936)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,146,717	1,146,717	678,781	(467,936)
Net Change in Fund Balance	(262,871)	(262,871)	(19,255)	243,616
FUND BALANCE - BEGINNING	262,871	262,871	262,871	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243,616</u>	<u>\$ 243,616</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 505,000	\$ 505,000	\$ 463,144	\$ (41,856)
Miscellaneous	-	-	21	21
TOTAL RECEIPTS	505,000	505,000	463,165	(41,835)
DISBURSEMENTS	463,153	463,153	200,237	262,916
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	41,847	41,847	262,928	221,081
OTHER FINANCING SOURCES (USES)				
Transfers in	250,000	250,000	100,000	(150,000)
Transfers out	(1,739,475)	(1,739,475)	(837,939)	901,536
TOTAL OTHER FINANCING SOURCES (USES)	(1,489,475)	(1,489,475)	(737,939)	751,536
Net Change in Fund Balance	(1,447,628)	(1,447,628)	(475,011)	972,617
FUND BALANCE - BEGINNING	1,447,628	1,447,628	1,447,628	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 972,617</u>	<u>\$ 972,617</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
HEALTH SERVICES BOND FUND				
RECEIPTS				
Taxes	\$ 175,400	\$ 175,400	\$ 163,834	\$ (11,566)
Interest	75,000	75,000	64,727	(10,273)
Intergovernmental	-	-	14,258	14,258
Miscellaneous	1,445,158	1,445,158	1,433,651	(11,507)
TOTAL RECEIPTS	1,695,558	1,695,558	1,676,470	(19,088)
DISBURSEMENTS	5,972,333	5,972,333	1,433,857	4,538,476
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(4,276,775)	(4,276,775)	242,613	4,519,388
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(4,276,775)	(4,276,775)	242,613	4,519,388
FUND BALANCE - BEGINNING	4,276,775	4,276,775	4,276,775	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 4,519,388	\$ 4,519,388

(Concluded)

SAUNDERS COUNTY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2010

BUDGETARY COMPARISON SCHEDULES

GAAP Requirements

Generally Accepted Accounting Principles (GAAP) requires budgetary comparison schedules for the General Fund, and for each major special revenue fund that has a legally adopted annual budget. GAAP further requires the budgetary comparison schedules to include the *original budget* and *final budget* amounts. The *original budget* is the first complete appropriated budget adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes *before* the beginning of the fiscal year. The original budget would also include actual appropriation amounts automatically carried over from prior years when required by law. The *final budget* is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year as approved by the County Board or otherwise legally authorized.

Budgetary Process

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

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

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

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2010

	Special Road Fund	Road/Bridge Sinking Fund	Child Support Agreement - Attorney Fund	Visitor Promotion Fund	Visitor Improvement Fund	Veterans' Aid Fund	Transportation Fund	Senior Citizen Services Fund
RECEIPTS								
Property Taxes	\$ -	\$ -	\$ -	\$ 10,156	\$ 10,156	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	1,954	-	-
Intergovernmental	244	-	1,052	-	-	-	61,076	89,336
Charges for Services	-	-	-	-	-	-	1,521	77,424
Miscellaneous	71	-	-	-	-	-	-	7,994
TOTAL RECEIPTS	<u>315</u>	<u>-</u>	<u>1,052</u>	<u>10,156</u>	<u>10,156</u>	<u>1,954</u>	<u>62,597</u>	<u>174,754</u>
DISBURSEMENTS								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public Works	250,069	-	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	5,000	69,412	242,830
Culture and Recreation	-	-	-	7,469	7,220	-	-	-
Debt Service:								
Principal Payments	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>250,069</u>	<u>-</u>	<u>-</u>	<u>7,469</u>	<u>7,220</u>	<u>5,000</u>	<u>69,412</u>	<u>242,830</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>(249,754)</u>	<u>-</u>	<u>1,052</u>	<u>2,687</u>	<u>2,936</u>	<u>(3,046)</u>	<u>(6,815)</u>	<u>(68,076)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	249,754	126,962	-	-	-	-	10,056	74,284
Transfers out	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>249,754</u>	<u>126,962</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,056</u>	<u>74,284</u>
Net Change in Fund Balances	-	126,962	1,052	2,687	2,936	(3,046)	3,241	6,208
FUND BALANCES - BEGINNING	<u>-</u>	<u>384,129</u>	<u>39,927</u>	<u>1,794</u>	<u>2,953</u>	<u>98,164</u>	<u>3,040</u>	<u>8,964</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 511,091</u>	<u>\$ 40,979</u>	<u>\$ 4,481</u>	<u>\$ 5,889</u>	<u>\$ 95,118</u>	<u>\$ 6,281</u>	<u>\$ 15,172</u>

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2010

	Diversion Program Fund	STOP Fund	Drug Law Enforcement Fund	Drug Testing Fund	Federal Drug Enforcement Fund	Federal Grant Fund	Federal Grant CDBG Fund	Emergency Management Fund
RECEIPTS								
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	108	-	-	-	-	-	-
Intergovernmental	20,631	-	-	-	-	80,600	-	25,320
Charges for Services	4,519	11,025	-	-	-	-	-	-
Miscellaneous	-	-	1,279	-	-	-	17,333	-
TOTAL RECEIPTS	25,150	11,133	1,279	-	-	80,600	17,333	25,320
DISBURSEMENTS								
General Government	-	-	-	-	-	-	17,333	-
Public Safety	113,898	10,615	-	2,758	-	-	-	48,147
Public Works	-	-	-	-	-	64,312	-	-
Public Assistance	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Debt Service:								
Principal Payments	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	-	-
TOTAL DISBURSEMENTS	113,898	10,615	-	2,758	-	64,312	17,333	48,147
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(88,748)	518	1,279	(2,758)	-	16,288	-	(22,827)
OTHER FINANCING SOURCES (USES)								
Transfers in	87,458	-	-	-	-	-	-	19,102
Transfers out	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	87,458	-	-	-	-	-	-	19,102
Net Change in Fund Balances	(1,290)	518	1,279	(2,758)	-	16,288	-	(3,725)
FUND BALANCES - BEGINNING	4,977	18,494	1,059	7,500	2,106	-	-	7,526
FUND BALANCES - ENDING	\$ 3,687	\$ 19,012	\$ 2,338	\$ 4,742	\$ 2,106	\$ 16,288	\$ -	\$ 3,801

(Continued)

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

For the Year Ended June 30, 2010

	Correctional Center Commissary Fund	Law Enforcement Center & Jail Bond Fund	County Building Fund	Law Enforcement & Judicial Center Construction Fund	Flood Control Projects Fund	Youth Camp Fund	E911 Emergency Services Fund	Total Nonmajor Governmental Funds
RECEIPTS								
Property Taxes	\$ -	\$ 593,246	\$ 10,427	\$ -	\$ 15	\$ -	\$ 79,829	\$ 703,829
Interest	-	5,350	606	287	-	12	-	8,317
Intergovernmental	-	51,672	909	-	-	-	14,000	344,840
Charges for Services	-	-	2	-	-	-	-	94,491
Miscellaneous	85,521	1	1	-	-	10,619	1,464	124,283
TOTAL RECEIPTS	85,521	650,269	11,945	287	15	10,631	95,293	1,275,760
DISBURSEMENTS								
General Government	78,288	1,048	173,301	-	-	-	-	269,970
Public Safety	-	-	-	-	100,000	-	68,188	343,606
Public Works	-	-	-	-	-	-	-	314,381
Public Assistance	-	-	-	-	-	-	-	317,242
Culture and Recreation	-	-	-	-	-	7,306	-	21,995
Debt Service:								
Principal Payments	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	524,365	-	-	-	-	-	524,365
Capital Projects	-	-	-	59,171	-	-	-	59,171
TOTAL DISBURSEMENTS	78,288	525,413	173,301	59,171	100,000	7,306	68,188	1,850,730
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	7,233	124,856	(161,356)	(58,884)	(99,985)	3,325	27,105	(574,970)
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	50,000	-	-	-	-	617,616
Transfers out	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	50,000	-	-	-	-	617,616
Net Change in Fund Balances	7,233	124,856	(111,356)	(58,884)	(99,985)	3,325	27,105	42,646
FUND BALANCES - BEGINNING	2,104	216,958	592,654	68,057	289,038	4,068	134,737	1,888,249
FUND BALANCES - ENDING	\$ 9,337	\$ 341,814	\$ 481,298	\$ 9,173	\$ 189,053	\$ 7,393	\$ 161,842	\$ 1,930,895

(Concluded)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SPECIAL ROAD FUND				
RECEIPTS				
Intergovernmental	\$ 75	\$ 75	\$ 244	\$ 169
Miscellaneous	-	-	71	71
TOTAL RECEIPTS	<u>75</u>	<u>75</u>	<u>315</u>	<u>240</u>
DISBURSEMENTS	<u>294,037</u>	<u>294,037</u>	<u>250,069</u>	<u>43,968</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	293,962	293,962	249,754	(44,208)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>293,962</u>	<u>293,962</u>	<u>249,754</u>	<u>(44,208)</u>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ROAD/BRIDGE SINKING FUND				
RECEIPTS				
Taxes	\$ -	\$ -	\$ -	\$ -
TOTAL RECEIPTS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DISBURSEMENTS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	126,962	126,962	126,962	-
Transfers out	(511,091)	(511,091)	-	511,091
TOTAL OTHER FINANCING SOURCES (USES)	<u>(384,129)</u>	<u>(384,129)</u>	<u>126,962</u>	<u>511,091</u>
Net Change in Fund Balance	(384,129)	(384,129)	126,962	511,091
FUND BALANCE - BEGINNING	384,129	384,129	384,129	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 511,091</u>	<u>\$ 511,091</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
CHILD SUPPORT AGREEMENT - ATTORNEY FUND				
RECEIPTS				
Intergovernmental	\$ 15,000	\$ 15,000	\$ 1,052	\$ (13,948)
TOTAL RECEIPTS	<u>15,000</u>	<u>15,000</u>	<u>1,052</u>	<u>(13,948)</u>
DISBURSEMENTS	<u>54,927</u>	<u>54,927</u>	<u>-</u>	<u>54,927</u>
Net Change in Fund Balance	(39,927)	(39,927)	1,052	40,979
FUND BALANCE - BEGINNING	39,927	39,927	39,927	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,979</u>	<u>\$ 40,979</u>
VISITOR PROMOTION FUND				
RECEIPTS				
Taxes	\$ 8,206	\$ 8,206	\$ 10,156	\$ 1,950
TOTAL RECEIPTS	<u>8,206</u>	<u>8,206</u>	<u>10,156</u>	<u>1,950</u>
DISBURSEMENTS	<u>10,000</u>	<u>10,000</u>	<u>7,469</u>	<u>2,531</u>
Net Change in Fund Balance	(1,794)	(1,794)	2,687	4,481
FUND BALANCE - BEGINNING	1,794	1,794	1,794	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,481</u>	<u>\$ 4,481</u>
VISITOR IMPROVEMENT FUND				
RECEIPTS				
Taxes	\$ 7,047	\$ 7,047	\$ 10,156	\$ 3,109
TOTAL RECEIPTS	<u>7,047</u>	<u>7,047</u>	<u>10,156</u>	<u>3,109</u>
DISBURSEMENTS	<u>10,000</u>	<u>10,000</u>	<u>7,220</u>	<u>2,780</u>
Net Change in Fund Balance	(2,953)	(2,953)	2,936	5,889
FUND BALANCE - BEGINNING	2,953	2,953	2,953	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,889</u>	<u>\$ 5,889</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
VETERANS' AID FUND				
RECEIPTS				
Interest	\$ 1,001	\$ 1,001	\$ 1,954	\$ 953
TOTAL RECEIPTS	1,001	1,001	1,954	953
DISBURSEMENTS	99,165	99,165	5,000	94,165
Net Change in Fund Balance	(98,164)	(98,164)	(3,046)	95,118
FUND BALANCE - BEGINNING	98,164	98,164	98,164	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,118</u>	<u>\$ 95,118</u>
TRANSPORTATION FUND				
RECEIPTS				
Intergovernmental	\$ 52,575	\$ 52,575	\$ 61,076	\$ 8,501
Charges for Services	2,000	2,000	1,521	(479)
Miscellaneous	100	100	-	(100)
TOTAL RECEIPTS	54,675	54,675	62,597	7,922
DISBURSEMENTS	88,356	88,356	69,412	18,944
OTHER FINANCING SOURCES (USES)				
Transfers in	30,641	30,641	10,056	(20,585)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	30,641	30,641	10,056	(20,585)
Net Change in Fund Balance	(3,040)	(3,040)	3,241	6,281
FUND BALANCE - BEGINNING	3,040	3,040	3,040	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,281</u>	<u>\$ 6,281</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SENIOR CITIZEN SERVICES FUND				
RECEIPTS				
Intergovernmental	\$ 95,023	\$ 95,023	\$ 89,336	\$ (5,687)
Charges for Services	85,033	85,033	77,424	(7,609)
Miscellaneous	16,590	16,590	7,994	(8,596)
TOTAL RECEIPTS	<u>196,646</u>	<u>196,646</u>	<u>174,754</u>	<u>(21,892)</u>
DISBURSEMENTS	<u>293,672</u>	<u>293,672</u>	<u>242,830</u>	<u>50,842</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	88,062	88,062	74,284	(13,778)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>88,062</u>	<u>88,062</u>	<u>74,284</u>	<u>(13,778)</u>
Net Change in Fund Balance	(8,964)	(8,964)	6,208	15,172
FUND BALANCE - BEGINNING	8,964	8,964	8,964	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,172</u>	<u>\$ 15,172</u>
DIVERSION PROGRAM FUND				
RECEIPTS				
Intergovernmental	\$ 20,631	\$ 20,631	\$ 20,631	\$ -
Charges for Services	6,800	6,800	4,519	(2,281)
TOTAL RECEIPTS	<u>27,431</u>	<u>27,431</u>	<u>25,150</u>	<u>(2,281)</u>
DISBURSEMENTS	<u>118,398</u>	<u>118,398</u>	<u>113,898</u>	<u>4,500</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	85,990	85,990	87,458	1,468
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>85,990</u>	<u>85,990</u>	<u>87,458</u>	<u>1,468</u>
Net Change in Fund Balance	(4,977)	(4,977)	(1,290)	3,687
FUND BALANCE - BEGINNING	4,977	4,977	4,977	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,687</u>	<u>\$ 3,687</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
STOP FUND				
RECEIPTS				
Interest	\$ 200	\$ 200	\$ 108	\$ (92)
Charges for Services	15,000	15,000	11,025	(3,975)
TOTAL RECEIPTS	15,200	15,200	11,133	(4,067)
DISBURSEMENTS	33,694	33,694	10,615	23,079
Net Change in Fund Balance	(18,494)	(18,494)	518	19,012
FUND BALANCE - BEGINNING	18,494	18,494	18,494	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,012</u>	<u>\$ 19,012</u>
DRUG LAW ENFORCEMENT FUND				
RECEIPTS				
Miscellaneous	\$ 3,941	\$ 3,941	\$ 1,279	\$ (2,662)
TOTAL RECEIPTS	3,941	3,941	1,279	(2,662)
DISBURSEMENTS	5,000	5,000	-	5,000
Net Change in Fund Balance	(1,059)	(1,059)	1,279	2,338
FUND BALANCE - BEGINNING	1,059	1,059	1,059	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,338</u>	<u>\$ 2,338</u>
DRUG TESTING FUND				
RECEIPTS				
Charges for Services	\$ 3,130	\$ 3,130	\$ -	\$ (3,130)
TOTAL RECEIPTS	3,130	3,130	-	(3,130)
DISBURSEMENTS	10,630	10,630	2,758	7,872
Net Change in Fund Balance	(7,500)	(7,500)	(2,758)	4,742
FUND BALANCE - BEGINNING	7,500	7,500	7,500	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,742</u>	<u>\$ 4,742</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
FEDERAL DRUG ENFORCEMENT FUND				
RECEIPTS				
Intergovernmental	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Miscellaneous	7,501	7,501	-	(7,501)
TOTAL RECEIPTS	12,501	12,501	-	(12,501)
DISBURSEMENTS	14,607	14,607	-	14,607
Net Change in Fund Balance	(2,106)	(2,106)	-	2,106
FUND BALANCE - BEGINNING	2,106	2,106	2,106	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,106</u>	<u>\$ 2,106</u>
FEDERAL GRANT FUND				
RECEIPTS				
Intergovernmental	\$ -	\$ 80,600	\$ 80,600	\$ -
TOTAL RECEIPTS	-	80,600	80,600	-
DISBURSEMENTS	-	80,600	64,312	16,288
Net Change in Fund Balance	-	-	16,288	16,288
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,288</u>	<u>\$ 16,288</u>
FEDERAL GRANT CDBG FUND				
RECEIPTS				
Miscellaneous	\$ 23,831	\$ 23,831	\$ 17,333	\$ (6,498)
TOTAL RECEIPTS	23,831	23,831	17,333	(6,498)
DISBURSEMENTS	23,831	23,831	17,333	6,498
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EMERGENCY MANAGEMENT FUND				
RECEIPTS				
Intergovernmental	\$ 226,396	\$ 226,396	\$ 25,320	\$ (201,076)
TOTAL RECEIPTS	226,396	226,396	25,320	(201,076)
DISBURSEMENTS	258,158	258,158	48,147	210,011
OTHER FINANCING SOURCES (USES)				
Transfers in	24,236	24,236	19,102	(5,134)
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	24,236	24,236	19,102	(5,134)
Net Change in Fund Balance	(7,526)	(7,526)	(3,725)	3,801
FUND BALANCE - BEGINNING	7,526	7,526	7,526	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,801</u>	<u>\$ 3,801</u>
CORRECTIONAL CENTER COMMISSARY FUND				
RECEIPTS				
Miscellaneous	\$ 7,501	\$ 87,896	\$ 85,521	\$ (2,375)
TOTAL RECEIPTS	7,501	87,896	85,521	(2,375)
DISBURSEMENTS	5,855	86,250	78,288	7,962
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(3,750)	(3,750)	-	3,750
TOTAL OTHER FINANCING SOURCES (USES)	(3,750)	(3,750)	-	3,750
Net Change in Fund Balance	(2,104)	(2,104)	7,233	9,337
FUND BALANCE - BEGINNING	2,104	2,104	2,104	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,337</u>	<u>\$ 9,337</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
LAW ENFORCEMENT CENTER & JAIL BOND FUND				
RECEIPTS				
Taxes	\$ 577,362	\$ 577,362	\$ 593,246	\$ 15,884
Interest	7,680	7,680	5,350	(2,330)
Intergovernmental	-	-	51,672	51,672
Miscellaneous	-	-	1	1
TOTAL RECEIPTS	585,042	585,042	650,269	65,227
DISBURSEMENTS	694,000	694,000	525,413	168,587
Net Change in Fund Balance	(108,958)	(108,958)	124,856	233,814
FUND BALANCE - BEGINNING	216,958	216,958	216,958	-
FUND BALANCE - ENDING	<u>\$ 108,000</u>	<u>\$ 108,000</u>	<u>\$ 341,814</u>	<u>\$ 233,814</u>
COUNTY BUILDING FUND				
RECEIPTS				
Taxes	\$ 10,020	\$ 10,020	\$ 10,427	\$ 407
Interest	-	-	606	606
Intergovernmental	-	-	909	909
Charges for Services	-	-	2	2
Miscellaneous	-	-	1	1
TOTAL RECEIPTS	10,020	10,020	11,945	1,925
DISBURSEMENTS	194,217	194,217	173,301	20,916
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	50,000	50,000	-
Transfers out	(458,457)	(458,457)	-	458,457
TOTAL OTHER FINANCING SOURCES (USES)	(408,457)	(408,457)	50,000	458,457
Net Change in Fund Balance	(592,654)	(592,654)	(111,356)	481,298
FUND BALANCE - BEGINNING	592,654	592,654	592,654	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 481,298</u>	<u>\$ 481,298</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
LAW ENFORCEMENT & JUDICIAL CENTER CONSTRUCTION FUND				
RECEIPTS				
Interest	\$ -	\$ -	\$ 287	\$ 287
TOTAL RECEIPTS	-	-	287	287
DISBURSEMENTS	68,057	68,057	59,171	8,886
Net Change in Fund Balance	(68,057)	(68,057)	(58,884)	9,173
FUND BALANCE - BEGINNING	68,057	68,057	68,057	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,173</u>	<u>\$ 9,173</u>
FLOOD CONTROL PROJECTS FUND				
RECEIPTS				
Taxes	\$ -	\$ -	\$ 15	\$ 15
TOTAL RECEIPTS	-	-	15	15
DISBURSEMENTS	289,038	289,038	100,000	189,038
Net Change in Fund Balance	(289,038)	(289,038)	(99,985)	189,053
FUND BALANCE - BEGINNING	289,038	289,038	289,038	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,053</u>	<u>\$ 189,053</u>
YOUTH CAMP FUND				
RECEIPTS				
Interest	\$ 10	\$ 10	\$ 12	\$ 2
Miscellaneous	5,214	5,214	10,619	5,405
TOTAL RECEIPTS	5,224	5,224	10,631	5,407
DISBURSEMENTS	9,292	9,292	7,306	1,986
Net Change in Fund Balance	(4,068)	(4,068)	3,325	7,393
FUND BALANCE - BEGINNING	4,068	4,068	4,068	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,393</u>	<u>\$ 7,393</u>

(Continued)

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

For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>E911 EMERGENCY SERVICES FUND</u>				
RECEIPTS				
Taxes	\$ 75,000	\$ 75,000	\$ 79,829	\$ 4,829
Intergovernmental	-	-	14,000	14,000
Miscellaneous	301	301	1,464	1,163
TOTAL RECEIPTS	<u>75,301</u>	<u>75,301</u>	<u>95,293</u>	<u>19,992</u>
DISBURSEMENTS	<u>210,038</u>	<u>210,038</u>	<u>68,188</u>	<u>141,850</u>
Net Change in Fund Balance	(134,737)	(134,737)	27,105	161,842
FUND BALANCE - BEGINNING	134,737	134,737	134,737	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,842</u>	<u>\$ 161,842</u>

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2010

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent
BALANCE JULY 1, 2009	\$ 20,402	\$ 20,877	\$ 110,260	\$ 32,677	\$ 204	\$ -	\$ 100
RECEIPTS							
Property Taxes	5,885	-	-	22,442	-	-	-
Licenses and Permits	5,957	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	116,446
Charges for Services	33,551	120,732	33,713	148,320	-	454	-
Miscellaneous	-	-	-	103,483	-	-	45,467
State Fees	-	137,628	30,795	1,062	-	-	-
Other Liabilities	3,281	-	404,275	405,965	58,108	-	-
TOTAL RECEIPTS	48,674	258,360	468,783	681,272	58,108	454	161,913
DISBURSEMENTS							
Payments to County Treasurer	47,943	121,185	35,531	260,950	-	454	149,494
Payments to State Treasurer	7,844	134,515	32,889	1,050	-	-	-
Other Liabilities	-	-	408,313	422,463	57,786	-	-
TOTAL DISBURSEMENTS	55,787	255,700	476,733	684,463	57,786	454	149,494
BALANCE JUNE 30, 2010	<u>\$ 13,289</u>	<u>\$ 23,537</u>	<u>\$ 102,310</u>	<u>\$ 29,486</u>	<u>\$ 526</u>	<u>\$ -</u>	<u>\$ 12,519</u>
BALANCE CONSISTS OF:							
Due to County Treasurer	\$ 578	\$ 10,732	\$ 1,612	\$ 18,827	\$ -	\$ -	\$ 12,419
Petty Cash	12,500	500	200	4,400	200	-	100
Due to State Treasurer	211	12,305	1,895	101	-	-	-
Due to Others	-	-	98,603	6,158	326	-	-
BALANCE JUNE 30, 2010	<u>\$ 13,289</u>	<u>\$ 23,537</u>	<u>\$ 102,310</u>	<u>\$ 29,486</u>	<u>\$ 526</u>	<u>\$ -</u>	<u>\$ 12,519</u>

(Continued)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2010

	Veterans' Service Officer	County Surveyor	County Youth Services	County Planning and Zoning	County Transportation	County Senior Services	Total
BALANCE JULY 1, 2009	\$ 5,035	\$ -	\$ 100	\$ 100	\$ -	\$ 281	\$ 190,036
RECEIPTS							
Property Taxes	-	-	-	-	-	-	28,327
Licenses and Permits	-	-	-	95,170	-	-	101,127
Intergovernmental	-	-	20,631	-	59,893	89,336	286,306
Charges for Services	-	8	4,520	-	1,593	77,263	420,154
Miscellaneous	5,021	-	11,157	-	1,111	7,994	174,233
State Fees	-	-	-	-	-	-	169,485
Other Liabilities	-	-	-	-	-	-	871,629
TOTAL RECEIPTS	5,021	8	36,308	95,170	62,597	174,593	2,051,261
DISBURSEMENTS							
Payments to County Treasurer	-	8	35,770	95,170	62,597	174,754	983,856
Payments to State Treasurer	-	-	-	-	-	-	176,298
Other Liabilities	522	-	538	-	-	-	889,622
TOTAL DISBURSEMENTS	522	8	36,308	95,170	62,597	174,754	2,049,776
BALANCE JUNE 30, 2010	\$ 9,534	\$ -	\$ 100	\$ 100	\$ -	\$ 120	\$ 191,521
BALANCE CONSISTS OF:							
Due to County Treasurer	\$ 9,534	\$ -	\$ -	\$ -	\$ -	\$ 90	\$ 53,792
Petty Cash	-	-	100	100	-	30	18,130
Due to State Treasurer	-	-	-	-	-	-	14,512
Due to Others	-	-	-	-	-	-	105,087
BALANCE JUNE 30, 2010	\$ 9,534	\$ -	\$ 100	\$ 100	\$ -	\$ 120	\$ 191,521

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED FOR
ALL POLITICAL SUBDIVISIONS IN THE COUNTY
 June 30, 2010

Item	2005	2006	2007	2008	2009
Tax Certified by Assessor					
Real Estate	\$ 25,849,052	\$ 28,546,112	\$ 28,992,459	\$ 32,215,287	\$ 33,998,288
Personal and Specials	1,478,487	1,563,216	1,582,401	1,814,229	2,017,895
Total	27,327,539	30,109,328	30,574,860	34,029,516	36,016,183
Corrections					
Additions	43,312	155,652	568,877	603,581	382,917
Deductions	(18,905)	(15,128)	(11,330)	(12,002)	(19,341)
Net Additions/ (Deductions)	24,407	140,524	557,547	591,579	363,576
Corrected Certified Tax	27,351,946	30,249,852	31,132,407	34,621,095	36,379,759
Net Tax Collected by					
County Treasurer during					
Fiscal Year Ending:					
June 30, 2006	15,242,858	-	-	-	-
June 30, 2007	12,047,270	16,947,897	-	-	-
June 30, 2008	29,994	13,125,085	17,074,580	-	-
June 30, 2009	16,506	36,721	12,940,603	19,143,755	-
June 30, 2010	4,884	11,976	44,648	14,335,030	20,413,156
Total Net Collections	27,341,512	30,121,679	30,059,831	33,478,785	20,413,156
Total Uncollected Tax	\$ 10,434	\$ 128,173	\$ 1,072,576	\$ 1,142,310	\$ 15,966,603
Percentage Uncollected Tax	0.04%	0.42%	3.45%	3.30%	43.89%



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SAUNDERS COUNTY
**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Supervisors
Saunders County, Nebraska

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County as of and for the year ended June 30, 2010, and have issued our report thereon dated April 26, 2011. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and do not include the financial data of the Saunders County Hospital, a component unit of Saunders County. Except as noted above, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect, and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency to be a material weakness:

- The County offices had a lack of segregation of duties since one person could handle all aspects of processing a transaction from beginning to end. Good internal control includes a plan of organization, procedures, and records designed to safeguard assets and provide reliable financial records. Due to a limited number of personnel, an adequate segregation of duties may not be possible without additional cost.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the County's internal control to be a significant deficiency:

- The County had a lack of good controls over the procedures to reimburse County officials for expenses. The County Attorney submitted and was paid on duplicate amounts and items returned, resulting in several overpayments. Furthermore, the tracking of all items purchased was not documented to ensure their accountability.

County's Response: Appropriate policies are being drawn up for adoption by the County Board to be in place for all offices in regard to future purchases such as, all receipts attached to the claims must be the original, multiple purchases must be explained for approval prior to purchase, and the County Board will scrutinize all claims much closer.

Compliance and Other Matters

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

We also noted certain matters that we reported to management of Saunders County in a separate letter dated April 26, 2011.

Saunders County's response to the findings identified in our audit are described above. We did not audit Saunders County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the County Board, others within the entity, the State Legislature, the appropriate Federal and regulatory agencies, and citizens of the State of Nebraska, and is not intended to be and should not be used by anyone other than these specified parties.

Signed Original on File

April 26, 2011

Deann Haeffner, CPA
Assistant Deputy Auditor