

**AUDIT REPORT  
OF  
SAUNDERS COUNTY**

**JULY 1, 2010 THROUGH JUNE 30, 2011**

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the Auditor of Public Accounts.**

**Modification of this document may change the accuracy of the original  
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**Issued on March 7, 2012**

SAUNDERS COUNTY

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SAUNDERS COUNTY  
**LIST OF COUNTY OFFICIALS**  
 At June 30, 2011

Name	Title	Term Expires
Doris Karloff	Board of Supervisors	Jan. 2013
Dave Lutton		Jan. 2015
Scott Sukstorf		Jan. 2013
Darren Martin		Jan. 2015
Craig Breunig		Jan. 2015
Leroy Hanson		Jan. 2015
James Fauver		Jan. 2013
Scott Tingelhoff	Attorney	Jan. 2015
Patti Lindgren	Clerk Election Commissioner	Jan. 2015
Paul Johnson	Clerk of the District Court	Jan. 2015
Don Clark	Register of Deeds	Jan. 2015
Kevin Stukenholtz	Sheriff	Jan. 2015
Patricia Hunter	Treasurer	Jan. 2015
Herbert Barnes	Veterans' Service Officer	Appointed
Ed Sladky	Weed Superintendent	Appointed
Steve Mika	Highway Superintendent	Appointed
George Borreson	Planning & Zoning	Appointed
Pam Lausterer	Youth Services	Appointed
Terry Miller	Emergency Management	Appointed
Jerry Charles	Surveyor	Jan. 2015
Thomas Klein	Public Defender	Jan. 2015



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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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, 2011, which collectively comprise the basic financial statements of the County's primary government, 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, 2011, 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, 2011, 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 February 28, 2012, 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 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, which the accounting principles generally accepted in the United States of America have 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. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is 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

February 28, 2012

Deann Haeffner, CPA  
Assistant Deputy Auditor

SAUNDERS COUNTY  
**STATEMENT OF NET ASSETS - CASH BASIS**  
 June 30, 2011

	Governmental Activities
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 10,372,847
<b>TOTAL ASSETS</b>	<b>\$ 10,372,847</b>
<b>NET ASSETS</b>	
Restricted for:	
Visitor Promotion	\$ 9,437
911 Emergency Services	199,974
Drug Education	4,138
Law Enforcement	2,106
Debt Service	4,944,360
Unrestricted	5,212,832
<b>TOTAL NET ASSETS</b>	<b>\$ 10,372,847</b>

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, 2011

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
General Government	\$ (3,997,050)	\$ 679,894	\$ 180,768	\$ (3,136,388)
Public Safety	(3,393,860)	1,382,517	98,615	(1,912,728)
Public Works	(3,835,940)	-	3,185,617	(650,323)
Health and Sanitation	(31,627)	-	5,642	(25,985)
Public Assistance	(322,864)	12,333	55,372	(255,159)
Culture and Recreation	(53,997)	-	-	(53,997)
Debt Payments	(2,506,582)	-	-	(2,506,582)
Capital Outlay	(12,238)	1	-	(12,237)
<b>Total Governmental Activities</b>	<b>\$ (14,154,158)</b>	<b>\$ 2,074,745</b>	<b>\$ 3,526,014</b>	<b>(8,553,399)</b>

General Receipts:

Property Taxes	7,691,956
Grants and Contributions Not Restricted to Specific Programs	1,008,031
Investment Income	129,991
Licenses and Permits	194,190
Bond Reimbursement	1,380,000
Miscellaneous	248,804
<b>Total General Receipts</b>	<b>10,652,972</b>
Change in Net Assets	2,099,573
Net Assets - Beginning	8,273,274
Net Assets - Ending	<b>\$ 10,372,847</b>

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, 2011

	<u>General Fund</u>	<u>Road Fund</u>	<u>Health Services Bond Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents (Note 1.D)	\$ 2,072,524	\$ 791,856	\$ 4,591,675	\$ 2,916,792	\$ 10,372,847
<b>TOTAL ASSETS</b>	<u>\$ 2,072,524</u>	<u>\$ 791,856</u>	<u>\$ 4,591,675</u>	<u>\$ 2,916,792</u>	<u>\$ 10,372,847</u>
<b>FUND BALANCES</b>					
Restricted for:					
Visitor Promotion	\$ -	\$ -	\$ -	\$ 9,437	\$ 9,437
911 Emergency Services	-	-	-	199,974	199,974
Drug Education	-	-	-	4,138	4,138
Law Enforcement	-	-	-	2,106	2,106
Debt Service	-	-	4,591,675	352,685	4,944,360
Committed to:					
Law Enforcement	-	-	-	57,600	57,600
Road Maintenance	-	791,856	-	743,429	1,535,285
Aid and Assistance	-	-	-	112,108	112,108
County Buildings	-	-	-	602,990	602,990
Culture and Recreation	-	-	-	275	275
Legal Services	-	-	-	52,660	52,660
Public Works	-	-	-	14,233	14,233
Assigned to:					
Other Purposes	-	-	-	765,157	765,157
Unassigned	2,072,524	-	-	-	2,072,524
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 2,072,524</u>	<u>\$ 791,856</u>	<u>\$ 4,591,675</u>	<u>\$ 2,916,792</u>	<u>\$ 10,372,847</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, 2011

	General Fund	Road Fund	Health Services Bond Fund	Other Governmenta l Funds	Total Governmental Funds
<b>RECEIPTS</b>					
Property Taxes	\$ 6,314,021	\$ -	\$ 69,383	\$ 1,308,552	\$ 7,691,956
Licenses and Permits	194,190	-	-	-	194,190
Interest	63,632	-	59,625	6,734	129,991
Intergovernmental	849,064	3,116,288	1,183	567,510	4,534,045
Charges for Services	2,034,923	-	-	39,822	2,074,745
Miscellaneous	31,741	13,502	1,380,020	203,541	1,628,804
<b>TOTAL RECEIPTS</b>	<u>9,487,571</u>	<u>3,129,790</u>	<u>1,510,211</u>	<u>2,126,159</u>	<u>16,253,731</u>
<b>DISBURSEMENTS</b>					
General Government	3,979,440	-	1,048	16,562	3,997,050
Public Safety	3,012,431	-	-	381,429	3,393,860
Public Works	135,315	3,466,435	-	234,190	3,835,940
Health and Sanitation	31,627	-	-	-	31,627
Public Assistance	219,968	-	-	102,896	322,864
Culture and Recreation	22,000	-	-	31,997	53,997
Debt Service:					
Principal Payments	-	-	465,000	555,000	1,020,000
Interest and Fiscal Charges	-	-	971,876	514,706	1,486,582
Capital Outlay	-	-	-	12,238	12,238
<b>TOTAL DISBURSEMENTS</b>	<u>7,400,781</u>	<u>3,466,435</u>	<u>1,437,924</u>	<u>1,849,018</u>	<u>14,154,158</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>2,086,790</u>	<u>(336,645)</u>	<u>72,287</u>	<u>277,141</u>	<u>2,099,573</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	400,000	884,885	-	586,139	1,871,024
Transfers out	(1,021,024)	-	-	(850,000)	(1,871,024)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(621,024)</u>	<u>884,885</u>	<u>-</u>	<u>(263,861)</u>	<u>-</u>
Net Change in Fund Balances	1,465,766	548,240	72,287	13,280	2,099,573
<b>CASH BASIS FUND BALANCES - BEGINNING</b>					
	<u>606,758</u>	<u>243,616</u>	<u>4,519,388</u>	<u>2,903,512</u>	<u>8,273,274</u>
<b>CASH BASIS FUND BALANCES - ENDING</b>					
	<u>\$ 2,072,524</u>	<u>\$ 791,856</u>	<u>\$ 4,591,675</u>	<u>\$ 2,916,792</u>	<u>\$ 10,372,847</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, 2011

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 3,682,906
 <b>LIABILITIES</b>	
Due to other governments	
State	378,054
Schools	2,359,754
Educational Service Units	4,666
Technical College	18,687
Natural Resource Districts	13,494
Fire Districts	16,384
Municipalities	94,460
Agricultural Society	2,875
Drainage Districts	25,786
Townships	67,415
Sanitary and Improvement Districts	504,316
Others	197,015
<b>TOTAL LIABILITIES</b>	<b>3,682,906</b>
 <b>TOTAL NET ASSETS</b>	 <b>\$ -</b>

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, 2011

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

**Component Unit.** These financial statements present the County (the primary government). The Saunders Medical Center (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 Department of Health and Human Services to provide services to carry out the provisions of the Nebraska Behavioral Health Services Act (Act). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under the Act. Region V (Region) consists of the following counties: Polk, Butler, Saunders, Seward, Lancaster, Otoe, Fillmore, Saline, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, York, and Richardson.

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

County contributed \$75,226 toward the operation of the Region during fiscal year 2011. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Department of Health and Human Services requires the Region to be audited annually in accordance with State statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with 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 (Reissue 2009, Supp. 2011).

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 2011. 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(4) (Reissue 2008). 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 were considered immaterial and have not been eliminated. Governmental Generally Accepted Accounting Principles (GAAP) requires internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities are generally financed through taxes, intergovernmental receipts, and other nonexchange transactions. The 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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

**Fund Financial Statements.** The fund financial statements provide information about the County's funds, including its fiduciary funds. GAAP requires separate statements by fund category - governmental, proprietary, and fiduciary. The County uses only the governmental and fiduciary fund categories. The County Board is the highest level of decision-making authority and has the authority, by resolution, to establish, modify or rescind the commitment or assignment of a fund balance to a specific purpose. When resources for a specific purpose are available in more than one fund balance classification, the County's policy is to use resources in the following order: restricted, committed, assigned and unassigned. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

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

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

**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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

The County designates fund balances as:

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

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

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

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

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

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

**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.

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

**Restricted Net 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 \$5,160,015 of restricted net assets, of which \$215,655 is restricted by enabling legislation.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

2. **Deposits and Investments**

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

At year end, the County's carrying amount of deposits was \$10,372,847 for County funds and \$3,682,906 for Fiduciary funds. The bank balances for all funds totaled \$14,764,924. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits, as of June 30, 2011, 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.

The levy set in October 2010, for the 2010 taxes, which will be materially collected in May and September 2011, was set at \$.34437/\$100 of assessed valuation. The levy set in October 2009, for the 2009 taxes, which were materially collected in May and September 2010, was set at \$.29554/\$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 (Reissue 2007, Cum. Supp. 2010, Supp. 2011) and may be amended through legislative action.



SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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 § 23-2307 and § 23-2308 and may be amended through legislative action. The employee's and employer's contributions are kept in separate accounts. The employee's account is fully vested. The employer's account is fully vested after three years of participation in the system or credit for participation in another governmental plan prior to actual contribution to the Plan. Prior service benefits are paid directly by the County to the retired employee.

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

For the year ended June 30, 2011, 180 employees contributed \$242,735, and the County contributed \$363,384. Additionally, for the year ended June 30, 2011, 19 law enforcement employees and the County contributed \$6,622 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$1,356 directly to 13 retired employees for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to the following: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 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 otherwise unable to discharge its legal liabilities and obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year, divided by the contribution of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, is sent to each county in writing, and each county

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**5. Risk Management** (Concluded)

has sixty days in which to pay the amount of such assessment. Each county remains liable for such assessments, regardless of such county's withdrawal from participation or the termination of the agreement, as well as for liabilities of the Pool incurred during such county's period of membership.

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

	NIRMA Coverage	Maximum Coverage
General Liability Claim	\$ 300,000	\$ 5,000,000
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 2012. The County has not had to pay out any amounts that exceeded coverage provided by the pool in the last three fiscal years.

**6. Interfund Transfers**

Interfund transfers for the year ended June 30, 2011, consisted of the following:

<b>Transfers to</b>	Transfers from		Total
	General Fund	Nonmajor Funds	
General Fund	\$ -	\$ 400,000	\$ 400,000
Road Fund	684,885	200,000	884,885
Nonmajor Funds	336,139	250,000	586,139
<b>Total</b>	<b>\$ 1,021,024</b>	<b>\$ 850,000</b>	<b>\$ 1,871,024</b>

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.

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**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, 2010	\$ 92,000
Purchases	-
Payments	16,524
Balance June 30, 2011	\$ 75,476
Future Payments:	
<b>Year</b>	
2012	\$ 21,473
2013	21,472
2014	21,473
2015	21,472
Total Payments	85,890
Less Interest	10,414
Present Value of Future Minimum Lease Payments	\$ 75,476
Carrying Value of the related Fixed Asset	\$ 92,000

**8. Interfund Loans**

Receivable Fund	Payable Fund	Amount
Building Fund	General Fund	\$ 191,543
Inheritance Fund	Law Enforcement Center and Jail Bond Fund	\$ 250,000

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. 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 2011 no additional monies were borrowed from the Building Fund. At June 30, 2011, the unpaid Building Fund loan Balance totaled \$191,543.

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**8. Interfund Loans** (Concluded)

During the fiscal year ended June 30, 2011, the County experienced a cash shortage in the Law Enforcement Center and Jail Bond Fund. In order to make the bond payment, which was due in December 2010, the County adopted a resolution in November 2010 which authorized an interfund loan from the Inheritance Fund of an amount not to exceed \$250,000, to the Law Enforcement Center and Jail Bond Fund. The County's intent, as stated in its authorizing resolution, was that the Inheritance Fund was to be repaid by June 2012, or when funds are available for repayment. As of June 30, 2011, the unpaid Inheritance Fund loan balance totaled \$250,000.

**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, 2011, was \$20,800,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. 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:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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	560,000	874,913	1,434,913
2017-2021	3,145,000	4,001,924	7,146,924
2022-2036	15,070,000	6,217,037	21,287,037
Total Payments	<u>\$ 20,800,000</u>	<u>\$ 14,799,855</u>	<u>\$ 35,599,855</u>

**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

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**10. Long-Term Debt** (Concluded)

equipping a new law enforcement facility. The bond payable balance as of June 30, 2011, was \$12,435,000. The County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

<b>Year</b>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 580,000	\$ 494,809	\$ 1,074,809
2013	595,000	473,918	1,068,918
2014	610,000	452,191	1,062,191
2015	655,000	429,164	1,084,164
2016	660,000	405,000	1,065,000
2017-2021	3,735,000	1,605,251	5,340,251
2022-2027	5,600,000	761,241	6,361,241
Total Payments	<u>\$ 12,435,000</u>	<u>\$ 4,621,574</u>	<u>\$ 17,056,574</u>

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 6,485,757	\$ 6,485,757	\$ 6,314,021	\$ (171,736)
Licenses and Permits	151,700	151,700	194,190	42,490
Interest	90,000	90,000	63,632	(26,368)
Intergovernmental	324,951	324,951	849,064	524,113
Charges for Services	2,128,875	2,128,875	2,034,923	(93,952)
Miscellaneous	55,000	55,000	31,741	(23,259)
<b>TOTAL RECEIPTS</b>	<b>9,236,283</b>	<b>9,236,283</b>	<b>9,487,571</b>	<b>251,288</b>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	147,023	147,023	146,806	217
County Clerk	125,886	125,886	125,045	841
County Treasurer	298,530	298,530	296,563	1,967
Register of Deeds	93,718	93,718	93,694	24
County Assessor	100,000	100,000	75,694	24,306
Election Commissioner	75,842	92,642	92,587	55
Building and Zoning	81,334	81,334	81,334	-
Board of Equalization	10,000	10,000	4,526	5,474
Clerk of the District Court	88,826	88,826	87,634	1,192
District Judge	38,000	38,000	37,903	97
Public Defender	160,307	160,307	157,333	2,974
Building and Grounds	181,716	181,716	185,390	(3,674)
Child Support Services - CDC	41,000	41,000	36,611	4,389
Agricultural Extension Agent	78,000	78,000	75,461	2,539
Child Support Services - Attorney	131,848	131,848	131,845	3
Building Security	85,000	85,000	78,887	6,113
Miscellaneous	2,760,900	2,729,475	2,272,127	457,348
Public Safety:				
County Sheriff	1,000,000	1,000,000	994,367	5,633
County Attorney	286,163	286,163	286,159	4
County Attorney Grant	16,551	16,551	10,460	6,091
County Jail	1,796,682	1,796,682	1,662,774	133,908
County Sheriff Grant	25,000	25,000	38,502	(13,502)
Miscellaneous	37,629	37,629	20,169	17,460

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DISBURSEMENTS (Continued)</b>				
Public Works:				
County Surveyor	87,039	87,039	85,175	1,864
Noxious Weed Control	50,000	50,000	50,140	(140)
Public Health:				
Miscellaneous	33,156	33,156	31,627	1,529
Public Assistance:				
Veterans' Service Officer	42,910	42,910	42,374	536
Institutions	10,000	13,230	13,230	-
Medical Relief	25,000	25,000	20,139	4,861
Miscellaneous	153,320	153,320	122,830	30,490
Unemployment Compensation	10,000	21,395	21,395	-
Culture and Recreation:				
Miscellaneous	22,000	22,000	22,000	-
<b>TOTAL DISBURSEMENTS</b>	<u>8,093,380</u>	<u>8,093,380</u>	<u>7,400,781</u>	<u>692,599</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<u>1,142,903</u>	<u>1,142,903</u>	<u>2,086,790</u>	<u>943,887</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	400,000	400,000	400,000	-
Transfers out	(1,149,661)	(1,149,661)	(1,021,024)	128,637
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(749,661)</u>	<u>(749,661)</u>	<u>(621,024)</u>	<u>128,637</u>
Net Change in Fund Balance	393,242	393,242	1,465,766	1,072,524
<b>FUND BALANCE - BEGINNING</b>	<u>606,758</u>	<u>606,758</u>	<u>606,758</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 2,072,524</u>	<u>\$ 1,072,524</u>

(Concluded)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 1,900,000	\$ 1,900,000	\$ 3,116,288	\$ 1,216,288
Miscellaneous	24,000	24,000	13,502	(10,498)
<b>TOTAL RECEIPTS</b>	<b>1,924,000</b>	<b>1,924,000</b>	<b>3,129,790</b>	<b>1,205,790</b>
<b>DISBURSEMENTS</b>	<b>3,041,892</b>	<b>3,041,892</b>	<b>3,466,435</b>	<b>(424,543)</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(1,117,892)</b>	<b>(1,117,892)</b>	<b>(336,645)</b>	<b>781,247</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	874,276	874,276	884,885	10,609
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>874,276</b>	<b>874,276</b>	<b>884,885</b>	<b>10,609</b>
Net Change in Fund Balance	(243,616)	(243,616)	548,240	791,856
FUND BALANCE - BEGINNING	243,616	243,616	243,616	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 791,856</u>	<u>\$ 791,856</u>
<b>HEALTH SERVICES BOND FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 400	\$ 400	\$ 69,383	\$ 68,983
Interest	75,000	75,000	59,625	(15,375)
Intergovernmental	-	-	1,183	1,183
Miscellaneous	1,380,024	1,380,024	1,380,020	(4)
<b>TOTAL RECEIPTS</b>	<b>1,455,424</b>	<b>1,455,424</b>	<b>1,510,211</b>	<b>54,787</b>
<b>DISBURSEMENTS</b>	<b>5,974,812</b>	<b>5,974,812</b>	<b>1,437,924</b>	<b>4,536,888</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(4,519,388)</b>	<b>(4,519,388)</b>	<b>72,287</b>	<b>4,591,675</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	(4,519,388)	(4,519,388)	72,287	4,591,675
FUND BALANCE - BEGINNING	4,519,388	4,519,388	4,519,388	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,591,675</u>	<u>\$ 4,591,675</u>



## SAUNDERS COUNTY

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2011

#### 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 actually received by the County Treasurer. The County does not utilize an encumbrance accounting system. All appropriated spending authority lapses at the end of the fiscal year.

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

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

##### **Excess of Disbursements Over Appropriations**

For the year ended June 30, 2011, disbursements exceeded budgeted appropriations in the Building and Grounds, Sheriff Grant, and Noxious Weed functions of the General Fund by \$3,674, \$13,502, and \$140, respectively. These over-expenditures were funded by the available fund balance in the General Fund.

SAUNDERS COUNTY  
**COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
 CHANGES IN CASH BASIS FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
 For the Year Ended June 30, 2011

	Special Road Fund	Road/Bridge Sinking Fund	Child Support Agreement - Attorney Fund	Visitor Promotion Fund	Visitor Improvement Fund
<b>RECEIPTS</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 8,402	\$ 8,403
Interest	-	-	-	-	-
Intergovernmental	56,321	-	19,828	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>56,321</b>	<b>-</b>	<b>19,828</b>	<b>8,402</b>	<b>8,403</b>
<b>DISBURSEMENTS</b>					
General Government	-	-	8,759	-	-
Public Safety	-	-	-	-	-
Public Works	222,135	-	-	-	-
Public Assistance	-	-	-	-	-
Culture and Recreation	-	-	-	8,638	9,100
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Capital Projects	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>222,135</b>	<b>-</b>	<b>8,759</b>	<b>8,638</b>	<b>9,100</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(165,814)</b>	<b>-</b>	<b>11,069</b>	<b>(236)</b>	<b>(697)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	165,814	-	-	-	-
Transfers out	-	(200,000)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>165,814</b>	<b>(200,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	-	(200,000)	11,069	(236)	(697)
<b>FUND BALANCES - BEGINNING</b>	<b>-</b>	<b>511,091</b>	<b>40,979</b>	<b>4,481</b>	<b>5,889</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ -</b>	<b>\$ 311,091</b>	<b>\$ 52,048</b>	<b>\$ 4,245</b>	<b>\$ 5,192</b>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	\$ -	\$ -	\$ -	\$ 4,245	\$ 5,192
911 Emergency Services	-	-	-	-	-
Drug Education	-	-	-	-	-
Law Enforcement	-	-	-	-	-
Debt Service	-	-	-	-	-
Committed to:					
Law Enforcement	-	-	-	-	-
Road Maintenance	-	311,091	-	-	-
Aid and Assistance	-	-	-	-	-
County Buildings	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Legal Services	-	-	52,048	-	-
Public Works	-	-	-	-	-
Assigned to:					
General Government	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 311,091</b>	<b>\$ 52,048</b>	<b>\$ 4,245</b>	<b>\$ 5,192</b>

(Continued)

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

For the Year Ended June 30, 2011

	Veterans' Aid Fund	Transportation Fund	Senior Citizen Services Fund	Diversion Program Fund	STOP Fund	Drug Law Enforcement Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	933	-	-	-	60	-
Intergovernmental	-	50,764	4,608	61,823	-	-
Charges for Services	-	2,353	9,980	11,788	13,650	1,800
Miscellaneous	-	253	11,303	165	8,313	-
<b>TOTAL RECEIPTS</b>	<b>933</b>	<b>53,370</b>	<b>25,891</b>	<b>73,776</b>	<b>22,023</b>	<b>1,800</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	153,587	10,973	-
Public Works	-	-	-	-	-	-
Public Assistance	-	66,685	36,211	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>66,685</b>	<b>36,211</b>	<b>153,587</b>	<b>10,973</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>933</b>	<b>(13,315)</b>	<b>(10,320)</b>	<b>(79,811)</b>	<b>11,050</b>	<b>1,800</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	11,605	6,634	80,820	-	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>11,605</b>	<b>6,634</b>	<b>80,820</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	933	(1,710)	(3,686)	1,009	11,050	1,800
<b>FUND BALANCES - BEGINNING</b>	<b>95,118</b>	<b>6,281</b>	<b>15,172</b>	<b>3,687</b>	<b>19,012</b>	<b>2,338</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 96,051</b>	<b>\$ 4,571</b>	<b>\$ 11,486</b>	<b>\$ 4,696</b>	<b>\$ 30,062</b>	<b>\$ 4,138</b>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
911 Emergency Services	-	-	-	-	-	-
Drug Education	-	-	-	-	-	4,138
Law Enforcement	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	4,696	30,062	-
Road Maintenance	-	-	-	-	-	-
Aid and Assistance	96,051	4,571	11,486	-	-	-
County Buildings	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Legal Services	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Assigned to:						
General Government	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 96,051</b>	<b>\$ 4,571</b>	<b>\$ 11,486</b>	<b>\$ 4,696</b>	<b>\$ 30,062</b>	<b>\$ 4,138</b>

(Continued)

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

For the Year Ended June 30, 2011

	Drug Testing Fund	Federal Drug Enforcement Fund	Federal Grant Fund	911 Wireless Service Fund	Emergency Management Fund	Correctional Center Commissary Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-
Intergovernmental	-	-	-	42,536	16,567	-
Charges for Services	250	-	-	-	-	-
Miscellaneous	-	-	-	-	-	84,812
<b>TOTAL RECEIPTS</b>	<b>250</b>	<b>-</b>	<b>-</b>	<b>42,536</b>	<b>16,567</b>	<b>84,812</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	3,110	-	16,288	8,194	39,750	73,189
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Principal Payments	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Projects	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>3,110</b>	<b>-</b>	<b>16,288</b>	<b>8,194</b>	<b>39,750</b>	<b>73,189</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(2,860)</b>	<b>-</b>	<b>(16,288)</b>	<b>34,342</b>	<b>(23,183)</b>	<b>11,623</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	19,382	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,382</b>	<b>-</b>
Net Change in Fund Balances	(2,860)	-	(16,288)	34,342	(3,801)	11,623
<b>FUND BALANCES - BEGINNING</b>	<b>4,742</b>	<b>2,106</b>	<b>16,288</b>	<b>-</b>	<b>3,801</b>	<b>9,337</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,882</b>	<b>\$ 2,106</b>	<b>\$ -</b>	<b>\$ 34,342</b>	<b>\$ -</b>	<b>\$ 20,960</b>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
911 Emergency Services	-	-	-	34,342	-	-
Drug Education	-	-	-	-	-	-
Law Enforcement	-	2,106	-	-	-	-
Debt Service	-	-	-	-	-	-
Committed to:						
Law Enforcement	1,882	-	-	-	-	20,960
Road Maintenance	-	-	-	-	-	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Legal Services	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Assigned to:						
General Government	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 1,882</b>	<b>\$ 2,106</b>	<b>\$ -</b>	<b>\$ 34,342</b>	<b>\$ -</b>	<b>\$ 20,960</b>

(Continued)

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

For the Year Ended June 30, 2011

	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
<b>RECEIPTS</b>						
Property Taxes	\$ 755,650	\$ 10,589	\$ -	\$ 1	\$ -	\$ 79,748
Interest	5,012	695	26	-	8	-
Intergovernmental	70,892	887	-	-	-	-
Charges for Services	-	1	-	-	-	-
Miscellaneous	71	62,559	-	-	7,133	380
<b>TOTAL RECEIPTS</b>	<b>831,625</b>	<b>74,731</b>	<b>26</b>	<b>1</b>	<b>7,141</b>	<b>80,128</b>
<b>DISBURSEMENTS</b>						
General Government	1,048	-	-	-	-	-
Public Safety	-	-	-	-	-	76,338
Public Works	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	14,259	-
Debt Service:						
Principal Payments	555,000	-	-	-	-	-
Interest and Fiscal Charges	514,706	-	-	-	-	-
Capital Projects	-	7,178	5,060	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>1,070,754</b>	<b>7,178</b>	<b>5,060</b>	<b>-</b>	<b>14,259</b>	<b>76,338</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(239,129)</b>	<b>67,553</b>	<b>(5,034)</b>	<b>1</b>	<b>(7,118)</b>	<b>3,790</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	250,000	50,000	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>250,000</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	10,871	117,553	(5,034)	1	(7,118)	3,790
<b>FUND BALANCES - BEGINNING</b>	<b>341,814</b>	<b>481,298</b>	<b>9,173</b>	<b>189,053</b>	<b>7,393</b>	<b>161,842</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 352,685</b>	<b>\$ 598,851</b>	<b>\$ 4,139</b>	<b>\$ 189,054</b>	<b>\$ 275</b>	<b>\$ 165,632</b>
<b>FUND BALANCES:</b>						
Restricted for:						
Visitor Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
911 Emergency Services	-	-	-	-	-	165,632
Drug Education	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-
Debt Service	352,685	-	-	-	-	-
Committed to:						
Law Enforcement	-	-	-	-	-	-
Road Maintenance	-	-	-	189,054	-	-
Aid and Assistance	-	-	-	-	-	-
County Buildings	-	598,851	4,139	-	-	-
Culture and Recreation	-	-	-	-	275	-
Legal Services	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Assigned to:						
General Government	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>\$ 352,685</b>	<b>\$ 598,851</b>	<b>\$ 4,139</b>	<b>\$ 189,054</b>	<b>\$ 275</b>	<b>\$ 165,632</b>

(Continued)

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

For the Year Ended June 30, 2011

	NRD Lake Wanahoo Project Fund	Communication Tower Fund	Court Appointed Special Advocate Fund	Inheritance Fund	Total Nonmajor Governmental Funds
<b>RECEIPTS</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 445,759	\$ 1,308,552
Interest	-	-	-	-	6,734
Intergovernmental	243,284	-	-	-	567,510
Charges for Services	-	-	-	-	39,822
Miscellaneous	-	24,404	612	3,536	203,541
<b>TOTAL RECEIPTS</b>	<b>243,284</b>	<b>24,404</b>	<b>612</b>	<b>449,295</b>	<b>2,126,159</b>
<b>DISBURSEMENTS</b>					
General Government	-	-	-	6,755	16,562
Public Safety	-	-	-	-	381,429
Public Works	-	12,055	-	-	234,190
Public Assistance	-	-	-	-	102,896
Culture and Recreation	-	-	-	-	31,997
Debt Service:					
Principal Payments	-	-	-	-	555,000
Interest and Fiscal Charges	-	-	-	-	514,706
Capital Projects	-	-	-	-	12,238
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>12,055</b>	<b>-</b>	<b>6,755</b>	<b>1,849,018</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>243,284</b>	<b>12,349</b>	<b>612</b>	<b>442,540</b>	<b>277,141</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	1,884	-	-	586,139
Transfers out	-	-	-	(650,000)	(850,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>1,884</b>	<b>-</b>	<b>(650,000)</b>	<b>(263,861)</b>
Net Change in Fund Balances	243,284	14,233	612	(207,460)	13,280
<b>FUND BALANCES - BEGINNING</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>972,617</b>	<b>2,903,512</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 243,284</b>	<b>\$ 14,233</b>	<b>\$ 612</b>	<b>\$ 765,157</b>	<b>\$ 2,916,792</b>
<b>FUND BALANCES:</b>					
Restricted for:					
Visitor Promotion	\$ -	\$ -	\$ -	\$ -	\$ 9,437
911 Emergency Services	-	-	-	-	199,974
Drug Education	-	-	-	-	4,138
Law Enforcement	-	-	-	-	2,106
Debt Service	-	-	-	-	352,685
Committed to:					
Law Enforcement	-	-	-	-	57,600
Road Maintenance	243,284	-	-	-	743,429
Aid and Assistance	-	-	-	-	112,108
County Buildings	-	-	-	-	602,990
Culture and Recreation	-	-	-	-	275
Legal Services	-	-	612	-	52,660
Public Works	-	14,233	-	-	14,233
Assigned to:					
General Government	-	-	-	765,157	765,157
<b>TOTAL FUND BALANCES</b>	<b>\$ 243,284</b>	<b>\$ 14,233</b>	<b>\$ 612</b>	<b>\$ 765,157</b>	<b>\$ 2,916,792</b>

(Concluded)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>SPECIAL ROAD FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ -	\$ -	\$ 56,321	\$ 56,321
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>56,321</b>	<b>56,321</b>
DISBURSEMENTS	294,037	294,037	222,135	71,902
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	294,037	294,037	165,814	(128,223)
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<b>294,037</b>	<b>294,037</b>	<b>165,814</b>	<b>(128,223)</b>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>ROAD/BRIDGE SINKING FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
DISBURSEMENTS	311,091	311,091	-	311,091
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(200,000)	(200,000)	(200,000)	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>-</b>
Net Change in Fund Balance	(511,091)	(511,091)	(200,000)	311,091
FUND BALANCE - BEGINNING	511,091	511,091	511,091	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 311,091</u>	<u>\$ 311,091</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>CHILD SUPPORT AGREEMENT - ATTORNEY FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 1,000	\$ 1,000	\$ 19,828	\$ 18,828
<b>TOTAL RECEIPTS</b>	<u>1,000</u>	<u>1,000</u>	<u>19,828</u>	<u>18,828</u>
<b>DISBURSEMENTS</b>	<u>41,979</u>	<u>41,979</u>	<u>8,759</u>	<u>33,220</u>
Net Change in Fund Balance	(40,979)	(40,979)	11,069	52,048
FUND BALANCE - BEGINNING	<u>40,979</u>	<u>40,979</u>	<u>40,979</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,048</u>	<u>\$ 52,048</u>
<b>VISITOR PROMOTION FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 9,500	\$ 9,500	\$ 8,402	\$ (1,098)
<b>TOTAL RECEIPTS</b>	<u>9,500</u>	<u>9,500</u>	<u>8,402</u>	<u>(1,098)</u>
<b>DISBURSEMENTS</b>	<u>13,981</u>	<u>13,981</u>	<u>8,638</u>	<u>5,343</u>
Net Change in Fund Balance	(4,481)	(4,481)	(236)	4,245
FUND BALANCE - BEGINNING	<u>4,481</u>	<u>4,481</u>	<u>4,481</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,245</u>	<u>\$ 4,245</u>
<b>VISITOR IMPROVEMENT FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 9,501	\$ 9,501	\$ 8,403	\$ (1,098)
<b>TOTAL RECEIPTS</b>	<u>9,501</u>	<u>9,501</u>	<u>8,403</u>	<u>(1,098)</u>
<b>DISBURSEMENTS</b>	<u>15,390</u>	<u>15,390</u>	<u>9,100</u>	<u>6,290</u>
Net Change in Fund Balance	(5,889)	(5,889)	(697)	5,192
FUND BALANCE - BEGINNING	<u>5,889</u>	<u>5,889</u>	<u>5,889</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,192</u>	<u>\$ 5,192</u>

(Continued)



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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>VETERANS' AID FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ 1,001	\$ 1,001	\$ 933	\$ (68)
<b>TOTAL RECEIPTS</b>	<b>1,001</b>	<b>1,001</b>	<b>933</b>	<b>(68)</b>
<b>DISBURSEMENTS</b>	<b>96,119</b>	<b>96,119</b>	<b>-</b>	<b>96,119</b>
Net Change in Fund Balance	(95,118)	(95,118)	933	96,051
FUND BALANCE - BEGINNING	95,118	95,118	95,118	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,051</u>	<u>\$ 96,051</u>
<b>TRANSPORTATION FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 52,575	\$ 52,575	\$ 50,764	\$ (1,811)
Charges for Services	2,000	2,000	2,353	353
Miscellaneous	100	100	253	153
<b>TOTAL RECEIPTS</b>	<b>54,675</b>	<b>54,675</b>	<b>53,370</b>	<b>(1,305)</b>
<b>DISBURSEMENTS</b>	<b>87,038</b>	<b>87,038</b>	<b>66,685</b>	<b>20,353</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	26,082	26,082	11,605	(14,477)
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<b>26,082</b>	<b>26,082</b>	<b>11,605</b>	<b>(14,477)</b>
Net Change in Fund Balance	(6,281)	(6,281)	(1,710)	4,571
FUND BALANCE - BEGINNING	6,281	6,281	6,281	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,571</u>	<u>\$ 4,571</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>SENIOR CITIZEN SERVICES FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 3,260	\$ 3,260	\$ 4,608	\$ 1,348
Charges for Services	1,270	1,270	9,980	8,710
Miscellaneous	7,590	27,995	11,303	(16,692)
<b>TOTAL RECEIPTS</b>	<u>12,120</u>	<u>32,525</u>	<u>25,891</u>	<u>(6,634)</u>
<b>DISBURSEMENTS</b>	<u>27,292</u>	<u>47,697</u>	<u>36,211</u>	<u>11,486</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	6,634	6,634
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>6,634</u>	<u>6,634</u>
Net Change in Fund Balance	(15,172)	(15,172)	(3,686)	11,486
FUND BALANCE - BEGINNING	15,172	15,172	15,172	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,486</u>	<u>\$ 11,486</u>
<b>DIVERSION PROGRAM FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 63,078	\$ 63,078	\$ 61,823	\$ (1,255)
Charges for Services	6,800	6,800	11,788	4,988
Miscellaneous	-	-	165	165
<b>TOTAL RECEIPTS</b>	<u>69,878</u>	<u>69,878</u>	<u>73,776</u>	<u>3,898</u>
<b>DISBURSEMENTS</b>	<u>155,686</u>	<u>155,686</u>	<u>153,587</u>	<u>2,099</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	82,121	82,121	80,820	(1,301)
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>82,121</u>	<u>82,121</u>	<u>80,820</u>	<u>(1,301)</u>
Net Change in Fund Balance	(3,687)	(3,687)	1,009	4,696
FUND BALANCE - BEGINNING	3,687	3,687	3,687	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,696</u>	<u>\$ 4,696</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>STOP FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ 101	\$ 101	\$ 60	\$ (41)
Charges for Services	10,000	10,000	13,650	3,650
Miscellaneous	-	-	8,313	8,313
<b>TOTAL RECEIPTS</b>	<b>10,101</b>	<b>10,101</b>	<b>22,023</b>	<b>11,922</b>
<b>DISBURSEMENTS</b>	<b>29,113</b>	<b>29,113</b>	<b>10,973</b>	<b>18,140</b>
Net Change in Fund Balance	(19,012)	(19,012)	11,050	30,062
FUND BALANCE - BEGINNING	19,012	19,012	19,012	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,062</u>	<u>\$ 30,062</u>
<b>DRUG LAW ENFORCEMENT FUND</b>				
<b>RECEIPTS</b>				
Charges for Services	\$ -	\$ -	\$ 1,800	\$ 1,800
Miscellaneous	3,338	3,338	-	(3,338)
<b>TOTAL RECEIPTS</b>	<b>3,338</b>	<b>3,338</b>	<b>1,800</b>	<b>(1,538)</b>
<b>DISBURSEMENTS</b>	<b>5,676</b>	<b>5,676</b>	<b>-</b>	<b>5,676</b>
Net Change in Fund Balance	(2,338)	(2,338)	1,800	4,138
FUND BALANCE - BEGINNING	2,338	2,338	2,338	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,138</u>	<u>\$ 4,138</u>
<b>DRUG TESTING FUND</b>				
<b>RECEIPTS</b>				
Charges for Services	\$ 1,501	\$ 1,501	\$ 250	\$ (1,251)
<b>TOTAL RECEIPTS</b>	<b>1,501</b>	<b>1,501</b>	<b>250</b>	<b>(1,251)</b>
<b>DISBURSEMENTS</b>	<b>6,243</b>	<b>6,243</b>	<b>3,110</b>	<b>3,133</b>
Net Change in Fund Balance	(4,742)	(4,742)	(2,860)	1,882
FUND BALANCE - BEGINNING	4,742	4,742	4,742	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,882</u>	<u>\$ 1,882</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>FEDERAL DRUG ENFORCEMENT FUND</b>				
<b>RECEIPTS</b>				
Charges for Services	\$ 6,500	\$ 6,500	\$ -	\$ (6,500)
Miscellaneous	3,001	3,001	-	(3,001)
TOTAL RECEIPTS	<u>9,501</u>	<u>9,501</u>	<u>-</u>	<u>(9,501)</u>
 DISBURSEMENTS	 <u>11,607</u>	 <u>11,607</u>	 <u>-</u>	 <u>11,607</u>
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>
 <b>FEDERAL GRANT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
TOTAL RECEIPTS	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
 DISBURSEMENTS	 <u>26,288</u>	 <u>26,288</u>	 <u>16,288</u>	 <u>10,000</u>
Net Change in Fund Balance	(16,288)	(16,288)	(16,288)	-
FUND BALANCE - BEGINNING	16,288	16,288	16,288	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 <b>911 WIRELESS SERVICE FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ -	\$ 35,446	\$ 42,536	\$ 7,090
TOTAL RECEIPTS	<u>-</u>	<u>35,446</u>	<u>42,536</u>	<u>7,090</u>
 DISBURSEMENTS	 <u>-</u>	 <u>35,446</u>	 <u>8,194</u>	 <u>27,252</u>
Net Change in Fund Balance	-	-	34,342	34,342
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,342</u>	<u>\$ 34,342</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>EMERGENCY MANAGEMENT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 27,144	\$ 27,144	\$ 16,567	\$ (10,577)
<b>TOTAL RECEIPTS</b>	<u>27,144</u>	<u>27,144</u>	<u>16,567</u>	<u>(10,577)</u>
<b>DISBURSEMENTS</b>	<u>54,090</u>	<u>54,090</u>	<u>39,750</u>	<u>14,340</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	23,145	23,145	19,382	(3,763)
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>23,145</u>	<u>23,145</u>	<u>19,382</u>	<u>(3,763)</u>
Net Change in Fund Balance	(3,801)	(3,801)	(3,801)	-
FUND BALANCE - BEGINNING	3,801	3,801	3,801	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<b>CORRECTIONAL CENTER COMMISSARY FUND</b>				
<b>RECEIPTS</b>				
Miscellaneous	\$ 85,000	\$ 85,000	\$ 84,812	\$ (188)
<b>TOTAL RECEIPTS</b>	<u>85,000</u>	<u>85,000</u>	<u>84,812</u>	<u>(188)</u>
<b>DISBURSEMENTS</b>	<u>94,337</u>	<u>94,337</u>	<u>73,189</u>	<u>21,148</u>
Net Change in Fund Balance	(9,337)	(9,337)	11,623	20,960
FUND BALANCE - BEGINNING	9,337	9,337	9,337	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,960</u>	<u>\$ 20,960</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>LAW ENFORCEMENT CENTER &amp; JAIL BOND FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 834,586	\$ 834,586	\$ 755,650	\$ (78,936)
Interest	5,000	5,000	5,012	12
Intergovernmental	-	-	70,892	70,892
Miscellaneous	-	-	71	71
<b>TOTAL RECEIPTS</b>	<u>839,586</u>	<u>839,586</u>	<u>831,625</u>	<u>(7,961)</u>
<b>DISBURSEMENTS</b>	<u>1,070,810</u>	<u>1,070,810</u>	<u>1,070,754</u>	<u>56</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	250,000	250,000
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
Net Change in Fund Balance	(231,224)	(231,224)	10,871	242,095
FUND BALANCE - BEGINNING	341,814	341,814	341,814	-
FUND BALANCE - ENDING	<u>\$ 110,590</u>	<u>\$ 110,590</u>	<u>\$ 352,685</u>	<u>\$ 242,095</u>
<b>COUNTY BUILDING FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 10,020	\$ 10,020	\$ 10,589	\$ 569
Interest	-	-	695	695
Intergovernmental	-	-	887	887
Charges for Services	-	-	1	1
Miscellaneous	-	-	62,559	62,559
<b>TOTAL RECEIPTS</b>	<u>10,020</u>	<u>10,020</u>	<u>74,731</u>	<u>64,711</u>
<b>DISBURSEMENTS</b>	<u>493,452</u>	<u>493,452</u>	<u>7,178</u>	<u>486,274</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	50,000	-
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balance	(433,432)	(433,432)	117,553	550,985
FUND BALANCE - BEGINNING	481,298	481,298	481,298	-
FUND BALANCE - ENDING	<u>\$ 47,866</u>	<u>\$ 47,866</u>	<u>\$ 598,851</u>	<u>\$ 550,985</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>LAW ENFORCEMENT &amp; JUDICIAL CENTER CONSTRUCTION FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ -	\$ -	\$ 26	\$ 26
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>26</b>
<b>DISBURSEMENTS</b>	<b>9,173</b>	<b>9,173</b>	<b>5,060</b>	<b>4,113</b>
Net Change in Fund Balance	(9,173)	(9,173)	(5,034)	4,139
FUND BALANCE - BEGINNING	9,173	9,173	9,173	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,139</u>	<u>\$ 4,139</u>
<b>FLOOD CONTROL PROJECTS FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ -	\$ -	\$ 1	\$ 1
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>DISBURSEMENTS</b>	<b>189,053</b>	<b>189,053</b>	<b>-</b>	<b>189,053</b>
Net Change in Fund Balance	(189,053)	(189,053)	1	189,054
FUND BALANCE - BEGINNING	189,053	189,053	189,053	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,054</u>	<u>\$ 189,054</u>
<b>YOUTH CAMP FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ 10	\$ 10	\$ 8	\$ (2)
Miscellaneous	5,215	5,215	7,133	1,918
<b>TOTAL RECEIPTS</b>	<b>5,225</b>	<b>5,225</b>	<b>7,141</b>	<b>1,916</b>
<b>DISBURSEMENTS</b>	<b>12,618</b>	<b>12,618</b>	<b>14,259</b>	<b>(1,641)</b>
Net Change in Fund Balance	(7,393)	(7,393)	(7,118)	275
FUND BALANCE - BEGINNING	7,393	7,393	7,393	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ 275</u>

(Continued)

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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>E911 EMERGENCY SERVICES FUND</u></b>				
<b>RECEIPTS</b>				
Taxes	\$ 75,000	\$ 75,000	\$ 79,748	\$ 4,748
Miscellaneous	300	300	380	80
<b>TOTAL RECEIPTS</b>	<u>75,300</u>	<u>75,300</u>	<u>80,128</u>	<u>4,828</u>
<b>DISBURSEMENTS</b>	<u>237,142</u>	<u>237,142</u>	<u>76,338</u>	<u>160,804</u>
Net Change in Fund Balance	(161,842)	(161,842)	3,790	165,632
FUND BALANCE - BEGINNING	161,842	161,842	161,842	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 165,632</u>	<u>\$ 165,632</u>
<b><u>NRD LAKE WANAHOO PROJECT FUND</u></b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 2,000,000	\$ 2,000,000	\$ 243,284	\$ (1,756,716)
<b>TOTAL RECEIPTS</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>243,284</u>	<u>(1,756,716)</u>
<b>DISBURSEMENTS</b>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
Net Change in Fund Balance	-	-	243,284	243,284
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243,284</u>	<u>\$ 243,284</u>
<b><u>COMMUNICATION TOWER FUND</u></b>				
<b>RECEIPTS</b>				
Miscellaneous	\$ 23,885	\$ 23,885	\$ 24,404	\$ 519
<b>TOTAL RECEIPTS</b>	<u>23,885</u>	<u>23,885</u>	<u>24,404</u>	<u>519</u>
<b>DISBURSEMENTS</b>	<u>23,885</u>	<u>23,885</u>	<u>12,055</u>	<u>11,830</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,884	1,884
Transfers out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>1,884</u>	<u>1,884</u>
Net Change in Fund Balance	-	-	14,233	14,233
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,233</u>	<u>\$ 14,233</u>

(Continued)



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

For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>COURT APPOINTED SPECIAL ADVOCATE FUND</b>				
<b>RECEIPTS</b>				
Miscellaneous	\$ -	\$ 7,500	\$ 612	\$ (6,888)
<b>TOTAL RECEIPTS</b>	<u>-</u>	<u>7,500</u>	<u>612</u>	<u>(6,888)</u>
<b>DISBURSEMENTS</b>	<u>-</u>	<u>7,500</u>	<u>-</u>	<u>7,500</u>
Net Change in Fund Balance	-	-	612	612
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 612</u>	<u>\$ 612</u>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 302,501	\$ 302,501	\$ 445,759	\$ 143,258
Miscellaneous	-	-	3,536	3,536
<b>TOTAL RECEIPTS</b>	<u>302,501</u>	<u>302,501</u>	<u>449,295</u>	<u>146,794</u>
<b>DISBURSEMENTS</b>	<u>875,118</u>	<u>875,118</u>	<u>6,755</u>	<u>868,363</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(400,000)	(400,000)	(650,000)	(250,000)
<b>TOTAL OTHER FINANCING     SOURCES (USES)</b>	<u>(400,000)</u>	<u>(400,000)</u>	<u>(650,000)</u>	<u>(250,000)</u>
Net Change in Fund Balance	(972,617)	(972,617)	(207,460)	765,157
FUND BALANCE - BEGINNING	972,617	972,617	972,617	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 765,157</u>	<u>\$ 765,157</u>

(Concluded)

**SAUNDERS COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2011

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent
BALANCE JULY 1, 2010	\$ 13,289	\$ 23,537	\$ 102,310	\$ 29,486	\$ 526	-	\$ 12,519
<b>RECEIPTS</b>							
Property Taxes	7,020	-	-	35,712	-	-	-
Licenses and Permits	6,364	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	176,667
Charges for Services	24,619	133,357	34,230	993,722	-	20	-
Miscellaneous	-	-	-	126,853	-	-	22,183
State Fees	3,351	138,412	34,258	983	-	-	-
Other Liabilities	-	-	290,451	350,866	70,353	-	1,431
<b>TOTAL RECEIPTS</b>	<b>41,354</b>	<b>271,769</b>	<b>358,939</b>	<b>1,508,136</b>	<b>70,353</b>	<b>20</b>	<b>200,281</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	34,526	134,734	34,001	1,168,758	-	20	212,700
Payments to State Treasurer	3,193	139,091	33,961	937	-	-	-
Other Liabilities	-	-	309,510	336,938	70,464	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>37,719</b>	<b>273,825</b>	<b>377,472</b>	<b>1,506,633</b>	<b>70,464</b>	<b>20</b>	<b>212,700</b>
BALANCES JUNE 30, 2011	<u>\$ 16,924</u>	<u>\$ 21,481</u>	<u>\$ 83,777</u>	<u>\$ 30,989</u>	<u>\$ 415</u>	<u>\$ -</u>	<u>\$ 100</u>
<b>BALANCES CONSISTS OF:</b>							
Due to County Treasurer	\$ 4,054	\$ 9,856	\$ 1,881	\$ 17,998	\$ 130	-	-
Petty Cash	12,500	-	200	4,400	200	-	100
Due to State Treasurer	370	11,625	2,152	147	-	-	-
Due to Others	-	-	79,544	8,444	85	-	-
BALANCES JUNE 30, 2011	<u>\$ 16,924</u>	<u>\$ 21,481</u>	<u>\$ 83,777</u>	<u>\$ 30,989</u>	<u>\$ 415</u>	<u>\$ -</u>	<u>\$ 100</u>

(Continued)

**SAUNDERS COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2011

	Veterans' Service Officer	County Surveyor	County Youth Services	County Planning and Zoning	County Transportation	County Senior Services	Total
BALANCE JULY 1, 2010	\$ 9,534	\$ -	\$ 100	\$ 100	\$ -	\$ 120	\$ 191,521
<b>RECEIPTS</b>							
Property Taxes	-	-	-	-	-	-	42,732
Licenses and Permits	-	-	-	100,948	-	-	107,312
Intergovernmental	-	-	61,823	-	50,617	4,608	293,715
Charges for Services	-	5	11,888	-	2,544	9,980	1,210,365
Miscellaneous	13	-	10,020	-	253	-	159,322
State Fees	-	-	-	-	-	-	177,004
Other Liabilities	-	-	-	-	-	-	713,101
<b>TOTAL RECEIPTS</b>	<b>13</b>	<b>5</b>	<b>83,731</b>	<b>100,948</b>	<b>53,414</b>	<b>14,588</b>	<b>2,703,551</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	-	5	81,521	100,948	53,370	14,708	1,835,291
Payments to State Treasurer	-	-	-	-	-	-	177,182
Other Liabilities	1,881	-	2,210	-	-	-	721,003
<b>TOTAL DISBURSEMENTS</b>	<b>1,881</b>	<b>5</b>	<b>83,731</b>	<b>100,948</b>	<b>53,370</b>	<b>14,708</b>	<b>2,733,476</b>
BALANCES JUNE 30, 2011	\$ 7,666	\$ -	\$ 100	\$ 100	\$ 44	\$ -	\$ 161,596
<b>BALANCES CONSISTS OF:</b>							
Due to County Treasurer	\$ 7,666	\$ -	\$ -	\$ -	\$ 44	\$ -	\$ 41,629
Petty Cash	-	-	100	100	-	-	17,600
Due to State Treasurer	-	-	-	-	-	-	14,294
Due to Others	-	-	-	-	-	-	88,073
BALANCES JUNE 30, 2011	\$ 7,666	\$ -	\$ 100	\$ 100	\$ 44	\$ -	\$ 161,596

(Concluded)

SAUNDERS COUNTY  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED FOR**  
**ALL POLITICAL SUBDIVISIONS IN THE COUNTY**  
 June 30, 2011

Item	2006	2007	2008	2009	2010
<b>Tax Certified by Assessor</b>					
Real Estate	\$ 28,546,112	\$ 28,992,459	\$ 32,215,287	\$ 33,998,288	\$ 35,819,663
Personal and Specials	1,563,216	1,582,401	1,814,229	2,017,895	1,725,891
<b>Total</b>	<b>30,109,328</b>	<b>30,574,860</b>	<b>34,029,516</b>	<b>36,016,183</b>	<b>37,545,554</b>
<b>Corrections</b>					
Additions	155,652	570,131	605,243	399,507	19,544
Deductions	(16,975)	(541,152)	(553,842)	(557,494)	(579,919)
Net Additions/ (Deductions)	138,677	28,979	51,401	(157,987)	(560,375)
<b>Corrected Certified Tax</b>	<b>30,248,005</b>	<b>30,603,839</b>	<b>34,080,917</b>	<b>35,858,196</b>	<b>36,985,179</b>
<b>Net Tax Collected by</b>					
<b>County Treasurer during</b>					
<b>Fiscal Year Ending:</b>					
June 30, 2007	16,947,897	-	-	-	-
June 30, 2008	13,125,084	17,074,580	-	-	-
June 30, 2009	36,721	12,940,603	19,143,755	-	-
June 30, 2010	11,976	44,648	14,335,030	20,413,156	-
June 30, 2011	480	28,803	58,863	15,066,318	21,765,253
<b>Total Net Collections</b>	<b>30,122,158</b>	<b>30,088,634</b>	<b>33,537,648</b>	<b>35,479,474</b>	<b>21,765,253</b>
<b>Total Uncollected Tax</b>	<b>\$ 125,847</b>	<b>\$ 515,205</b>	<b>\$ 543,269</b>	<b>\$ 378,722</b>	<b>\$ 15,219,926</b>
<b>Percentage Uncollected Tax</b>	<b>0.42%</b>	<b>1.68%</b>	<b>1.59%</b>	<b>1.06%</b>	<b>41.15%</b>

SAUNDERS COUNTY  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Year Ended June 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
<b>U.S. DEPARTMENT OF JUSTICE</b>		
Passed through Nebraska Military Department		
State Domestic Preparedness Equipment Support Program	16.007	\$ 863
Total U.S. Department of JUSTICE		<u>863</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>		
Passed through Nebraska Military Department		
Disaster Grants - Public Assistance	97.036	78,056
Emergency Management Performance Grants	97.042	18,235
Total U.S. Department of Homeland Security		<u>96,291</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
Passed through Nebraska Department of Health and Human Services		
Child Support Enforcement	93.563	140,691
Total U.S. Department of Health and Human Services		<u>140,691</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>		
Passed through Nebraska Department of Roads		
Highway Planning and Construction	ARRA 20.205	514,850 *
Highway Planning and Construction	20.205	11,954 *
Formula Grants for Other than Urbanized Areas	20.509	33,356
State and Community Highway Safety	20.600	900
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	12,127
Total U.S. Department of Transportation		<u>573,187</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u><u>\$ 811,032</u></u>

\* Represents Major Program

See accompanying Notes to the Schedule of Expenditures of Federal Awards

## SAUNDERS COUNTY

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

#### 1. General

The accompanying schedule of expenditures of Federal awards (Schedule) presents the activity of all Federal awards programs of Saunders County (County), except as noted in Note 2 below. The County's reporting entity is defined in Note 1.A. to the County's financial statements. Federal awards received directly from Federal agencies, as well as those passed through other government agencies, are included in the Schedule. Unless otherwise noted on the Schedule, all programs are received directly from the respective Federal agency. Due to the operations of the County, the accumulation of amounts passed to subrecipients by the County is not practical.

#### 2. Summary of Significant Accounting Policies

##### A. **Reporting Entity**

The County's reporting entity is defined in Note 1.A. to the financial statements. The accompanying Schedule includes the Federal awards programs administered by the County for the fiscal year ended June 30, 2011.

##### B. **Basis of Presentation**

The accompanying Schedule presents total expenditures for each Federal awards program in accordance with the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. Federal program titles are reported as presented in the Catalog of Federal Domestic Assistance (CFDA), whenever possible.

**Federal Awards.** Pursuant to OMB Circular A-133, Federal awards are defined as assistance provided by a Federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, or direct appropriations.

**Major Programs.** In accordance with OMB Circular A-133, major programs are determined using a risk-based approach. Programs in the accompanying Schedule denoted with an asterisk (\*) are considered major programs.

##### C. **Basis of Accounting**

The accompanying Schedule was prepared on the cash basis of accounting.

**Matching Costs.** The Schedule does not include matching expenditures from general revenues of the County.



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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SAUNDERS COUNTY  
**INDEPENDENT AUDITORS' 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, 2011, and have issued our report thereon dated February 28, 2012. 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 Medical Center (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.

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, detect, or 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, detected or 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.

#### 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*: Finding #2011-2 in the accompanying Schedule of Findings and Questioned Costs.

We also noted certain matters that we reported to the management of Saunders County in a separate letter dated February 28, 2012.

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

February 28, 2012

Deann Haeffner, CPA  
Assistant Deputy Auditor





## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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SAUNDERS COUNTY  
**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Supervisors  
Saunders County, Nebraska

### Compliance

We have audited Saunders County's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Saunders County's major Federal programs for the year ended June 30, 2011. Saunders County's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs is the responsibility of Saunders County's management. Our responsibility is to express an opinion on Saunders County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Saunders County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Saunders County's compliance with those requirements.

In our opinion, Saunders County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as Finding #2011-2.

### Internal Control Over Compliance

Management of Saunders County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered Saunders County's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Saunders County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Saunders County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit Saunders County's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the County Board, others within the entity, citizens of the State of Nebraska, the State Legislature, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Signed Original on File

February 28, 2012

Deann Haeffner, CPA  
Assistant Deputy Auditor

SAUNDERS COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2011

SECTION I. SUMMARY OF AUDITOR'S RESULTS

Type of auditor's report issued:	<b>Unqualified</b>
Internal control over financial reporting:	
Material weaknesses identified?	<u> X </u> Yes    ___ No
Significant deficiencies identified?	___ Yes <u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> X </u> Yes    ___ No
Internal control over major programs:	
Material weaknesses identified?	___ Yes <u> X </u> No
Significant deficiencies identified?	___ Yes <u> X </u> None Reported
Type of auditor's report issued on compliance for major programs:	<b>Unqualified</b>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133:	<u> X </u> Yes    ___ No
Major programs:	<b>Highway Planning and Construction, CFDA # 20.205</b>
Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee:	___ Yes <u> X </u> No

SECTION II. FINANCIAL STATEMENT FINDINGS

**Finding # 2011-1**

Condition - There is a lack of segregation of accounting functions among various County offices and personnel. This is a continuing item from the prior year.

Criteria - Authorization or approval of transactions, recording of transactions, and custody of assets should normally be segregated from each other.

SAUNDERS COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2011

SECTION II. FINANCIAL STATEMENT FINDINGS (Concluded)

Effect of the Condition - This lack of segregation of duties results in an inadequate overall internal control structure design.

Cause of the Condition - The County does not employ sufficient office personnel to properly segregate accounting functions.

Recommendation - The County should be aware of the inherent risks associated with improper segregation of accounting functions. The County should also develop mitigating controls to reduce the risk of errors or fraud associated with the improper segregation of accounting functions.

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

**Finding #2011-2**

Program - CFDA 20.205 – Highway Planning and Construction

Federal Grantor Agency - U.S. Department of Transportation passed through Nebraska Department of Roads.

Condition - The receipts and disbursements related to the Highway Planning and Construction Grant were not approved by the County Board or reflected in the County budget.

Criteria - Neb. Rev. Stat. § 23-109(1) (Reissue 2007) states, “The county board shall have power to examine and settle all accounts against the county and all accounts concerning the receipts and expenditures of the county.” Neb. Rev. Stat. § 23-903 (Reissue 2007) requires the budget of the County to present a complete financial plan of all expenditures and anticipated income. OMB Circular A-87 (C.1.e) requires expenditures to be consistent with policies, regulations, and procedures that apply uniformly to both the Federal awards and other activities of the governmental unit.

Questioned Costs - None

Context - The grant was administered by the Nebraska Department of Roads, the County did not receive or disburse the Federal funds. The County oversaw the work performed on the project and signed the agreement with the vendor to perform the work.

SAUNDERS COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended June 30, 2011

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (Concluded)

Cause - The Nebraska Department of Roads established procedures to be followed by the County, but failed to consider all applicable State statutes.

Effect - The County was not in compliance with State statutes.

Recommendation - We recommend the County Board approve all payments to the vendor and record all expenditures and receipts in the County budget.

Management's Response – The County will work with the Department of Roads to correct this issue regarding Federal Funding.

**MANAGEMENT LETTER  
OF  
SAUNDERS COUNTY**

**JULY 1, 2010 THROUGH JUNE 30, 2011**

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

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

**Issued on March 7, 2012**



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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February 28, 2012

Board of Supervisors  
Saunders County, Nebraska

Dear Supervisors:

We have audited the basic financial statements of Saunders County (County) for the fiscal year ended June 30, 2011, and have issued our report thereon dated February 28, 2012. In planning and performing our audit of the basic financial statements of the County, we considered internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements. An audit does not include examining the effectiveness of internal control and does not provide assurance on internal control. We also performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants.

During our audit, we noted certain matters involving internal control over financial reporting and other operational matters that are presented here. These comments and recommendations are intended to improve the internal control over financial reporting or result in operational efficiencies in the areas as follows:

### **COUNTY OVERALL**

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#### **Segregation of Duties**

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

We noted the offices of the County each had a lack of segregation of duties since one person could handle all aspects of processing a transaction from beginning to end. Due to a limited number of personnel, an adequate segregation of duties is not possible without additional cost. This was also noted in prior audits.

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

## **Petty Cash Procedures**

During testing of petty cash fund reimbursements in various County offices, we noted the following:

- Reimbursements for mileage expense did not have adequate documentation to support the reason for the travel or the specific location driven.
- Reimbursements were paid from copies of receipts, instead of original receipts.
- Reimbursements were not submitted in a timely manner.

Good internal controls and sound accounting practices require that all claims paid by the County Board have adequate supporting documentation and are submitted in a timely manner.

We recommend the County Board implement policies and procedures outlining acceptable petty cash practices, including what types of expenditures are allowable, and how often reimbursement requests should be submitted.

## **COUNTY BOARD**

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### **Inventory Statements**

Inventory statements filed by County officials and departments were not signed by the County Board documenting that such statements were correct.

Neb. Rev. Stat. § 23-347 (Reissue 2007) states, “The county board in each county shall examine into each inventory statement so filed, and, if said statement is correct and proper in every particular, the county board shall deliver each of said inventory statements to the clerk of the county for filing as a public record in said county clerk’s office in a manner convenient for reference.”

When the County Board does not sign that they have verified the inventory statements as being accurate, they are in violation of State statute and there is an increased risk the inventory statements may be incorrect.

We recommend the County Board verify the inventory statements and sign the statements to indicate the verification has been performed.

### **Claim Procedures**

During our testing of claims paid by the County, we noted:

- The County pays 50% of submitted invoices for reimbursement of the Public Defender’s office expenses, such as office supplies, cell phone bills, utilities, photo copies, and



disposal service. No contract or documentation is on file to support that 50% is reasonable or an appropriate percentage the County is responsible for and no documentation was attached to the invoices supporting the individual office expense amounts.

- For one of five employees tested, the December 1, 2010 to December 15, 2010, timesheets did not agree to the claim total for the pay period resulting in an underpayment to the employee of five hours totaling \$92. The amount owed to the employee was subsequently paid on the January 31, 2011, paycheck.

Sound accounting practices and a good internal control plan require the County to ensure documentation supports the claim total and that original receipts or invoices are maintained with the claims. When the County reimburses expenses based on a percentage and receives invoices listing the total amount paid without supporting documentation, there is an increased risk the County will pay for expenses not related to County business. Additionally, when proper internal controls have not been established over payroll procedures, there is an increased risk County funds will be lost or misused.

We recommend the County establish policies and procedures to ensure a written agreement or contract is approved by the County Board regarding reimbursement of the Public Defender's expenses. We also recommend the County ensure timesheets support the hours paid.

### **Payroll Withholdings**

The Internal Revenue Service (IRS) Publication 15 (Circular E), 2011 Employer's Tax Guide, outlines an employer's responsibility to withhold Federal income tax based on each employee's W-4 form.

For one of five employees tested, the Federal and State tax withholdings were incorrect. The employee received wages from two budget functions for hours worked from December 1, 2010, to December 15, 2010. The County's payroll system calculated the Federal and State tax withholdings from wages separately for each department rather than the total wages. Federal withholdings were \$44 short, and State withholdings were \$18 short.

When the County relies on the payroll system to calculate tax withholdings and the system incorrectly calculates Federal and State tax withholdings for employees receiving wages from multiple budget functions, the Federal and State tax withholdings will be incorrect.

We recommend the County Board withhold Federal income taxes according to the IRS Publication 15 (Circular E) 2011 Employer's Tax Guide and information provided on the employee's W-4 forms. We also recommend the County contact the payroll system representative to inquire about having the system changed to calculate tax withholdings based on total wages for a pay period.

### **Polling Place Rental Fees**

We noted a \$75 payment to the Village of Valparaiso for use of a building as a polling place during the primary election.

Neb. Rev. Stat. § 32-905 (Reissue 2008) states, “A political subdivision which receives federal or state funds and owns or leases a building which is suitable for a polling place shall make the building available to the election commissioner or county clerk for use as a polling place in any election which involves the precinct in which the building is located. The political subdivision shall not charge for the use of the building as a polling place.”

We recommend the County stop paying political subdivisions a rental fee for use of a building as a polling place.

### **Publication of Board Minutes**

Neb. Rev. Stat. § 23-122 (Reissue 2007) requires the County Board publish the proceedings of all County Board minutes within ten working days of the meeting date.

For five of ten meeting minutes tested, the claims listing from the County Board minutes were not published within ten working days of the meeting, publication dates ranged from 13 to 37 working days after the meeting date. This comment was noted in prior years.

When County Board minutes are not published timely, the County is not in compliance with State statute and the public is not made aware of proceedings in a timely manner.

We recommend the County Board implement procedures to ensure all minutes are published as required by State statute.

## **COUNTY ATTORNEY**

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### **Cash Procedures**

Good internal control and sound accounting practices require checks on hand be restrictively endorsed and deposited to the bank on a regular basis.

During a cash count performed January 9, 2012, we noted two checks on hand, each for \$2,100, which had been receipted October 17, 2011, the checks had not been deposited and were not restrictively endorsed.

When checks received are not restrictively endorsed or deposited timely, there is an increased risk of theft or loss of County funds.

We recommend all checks made payable to the Saunders County Attorney should be restrictively endorsed upon receipt and included in the regular weekly deposit.

*County Attorney's Response: The two checks on hand were kept in a locked and secured safe within the County Attorney's Office. The reason the checks were not immediately deposited resulted from a miscommunication when an attorney told an assistant to "Hold the money and do not pay out the restitution until the Defendants have been sentenced" and the assistant understood the attorney to mean do not cash the checks at all, rather than to cash them and to keep the money in our account until the Court ordered the payment to the victims.*

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## COUNTY CLERK

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### **Certification of Unpaid Claims**

Neb. Rev. Stat. § 23-1302(4) (Reissue 2007) which outlines the duties of the County Clerk states, in part, "...the county clerk shall certify to the county treasurer as of June 15 and December 15 of each year the total amount of unpaid claims of the county..."

Unpaid claims were certified to the County Treasurer on December 9, 2010, and June 13, 2011. When the amount of unpaid claims is not certified by the County Clerk in compliance with State statute, the County Treasurer does not have complete information on file regarding the finances of the County.

We recommend the County Clerk comply with State statute by certifying to the County Treasurer the amount of unpaid claims on June 15 and December 15.

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## COUNTY SHERIFF

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### **Accounting Procedures**

On June 30, 2011, the County Sheriff's office assets were short office liabilities by \$146. A similar comment was noted in our prior year report.

Sound accounting practice and good internal control require procedures be in place to ensure office assets (cash on hand, reconciled bank balance, accounts receivable, etc.) are in agreement with office liabilities (fees and trust accounts) on at least a monthly basis. Balancing procedures should include the timely identification and resolution of all variances noted.

When there is a failure to determine asset-to-liability balancing variances, there is an increased risk of loss, theft, or misuse of funds allowing errors to more easily go undetected.

We recommend the County Sheriff continue to perform documented monthly balancing procedures, including a timely follow up on any unexplained variances.

## **Fee Approval**

Fees established by the County Sheriff for boarding of prisoners from other counties were not approved by the County Board.

Good internal controls require the governing board of the County approve all rates charged by the offices. Without approval by the County Board for fees charged, there is an increased risk that all monies due the County will not be properly collected.

We recommend the County Sheriff obtain approval from the County Board for all fees charged.

*County Sheriff's Response: The Saunders County Sheriff, Jail Director and representatives of the Saunders County Board of Supervisors who serve as the Jail Oversight Committee did meet to discuss what fees should be charged to other agencies for the boarding of prisoners. These fees were not discussed at a regular Board Meeting; however, the Board was involved in the setting of those fees and authorized contracts with participating agencies. Some agencies did not have a formal contract, however, similar fees were applied. In the future, these contracts will be made a part of an official Board Meeting.*

\* \* \* \* \*

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

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

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

Sincerely,

Signed Original on File

Deann Haeffner, CPA  
Assistant Deputy Auditor