

**AUDIT REPORT
OF
SAUNDERS COUNTY**

JULY 1, 2003 THROUGH JUNE 30, 2004

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Issued on March 4, 2005

SAUNDERS COUNTY

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SAUNDERS COUNTY

LIST OF COUNTY OFFICIALS

At June 30, 2004

Name	Title	Term Expires
Kenneth Kuncel	Board of Supervisors	Jan. 2007
Doris Karloff		Jan. 2005
Richard Jurgens		Jan. 2007
Steve Clark		Jan. 2007
Leroy Hanson		Jan. 2007
Scott Sukstorf		Jan. 2005
Joan Moore		Jan. 2005
Scott Tingelhoff	Attorney	Jan. 2007
Patti Lindgren	Clerk Election Commissioner	Jan. 2007
Don Clark	Register of Deeds	Jan. 2007
JoAnn Cherovsky	Clerk of the District Court	Jan. 2007
Chuck Lacey	Sheriff	Jan. 2007
James Fauver	Treasurer	Jan. 2007
Herbert Barnes	Veterans' Service Officer	Appointed
Ed Sladky	Weed Superintendent	Appointed
Steve Mika	Highway Superintendent Transportation	Appointed
Linda Fritz	Health Department Senior Services	Appointed
George Borreson	Planning and Zoning	Appointed
Pam Lausterer	Youth Services	Appointed

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SAUNDERS COUNTY

INDEPENDENT AUDITORS' REPORT

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Board of Supervisors
Saunders County, Nebraska

Don Dunlap, CPA
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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, 2004, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

Pat Reding, CPA
Asst. Deputy Auditor
reding@mail.state.ne.us

Tim Channer, CPA
Asst. Deputy Auditor
channer@mail.state.ne.us

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.

Mary Avery
SAE/Finance Manager
marya@mail.state.ne.us

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.

Dennis Meyer, CGFM
Subdivision Budget
Coordinator
dmeyer@mail.state.ne.us

Mark Avery, CPA
Subdivision Audit
Review Coordinator
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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, 2004, 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, 2004, 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 January 24, 2005, 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 to 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 Management's Discussion and Analysis and the budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

January 24, 2005


Deputy State Auditor

SAUNDERS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Saunders County's financial report presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2004. Please read it in conjunction with the County's financial statements, which follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Saunders County's basic financial statements. The County's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains information in addition to the basic financial statements.

Government-Wide Financial Statements. The Statement of Net Assets - Cash Basis and the Statement of Activities - Cash Basis provide a broad overview of the County's overall financial status. Over time, increases or decreases in the County's net assets are one indicator of whether its financial health is improving or deteriorating. The County's financial statements are prepared on the cash basis of accounting and do not include capital assets, accounts receivable, accounts payable, or long-term debt activity, which would need to be considered to assess the financial health of the County. Non-financial factors also need to be considered to assess the overall financial health of the County. Government-wide financial statements divide the County into two kinds of activities:

Governmental activities - The County's basic services are included here. These activities are generally financed through taxes, charges for services, and State and Federal grants/contributions.

Component units -The County report does not include the financial activity of the Saunders County Hospital, a separate legal entity. Although legally separate, the County is financially accountable for the "component unit." Complete financial statements of the Hospital can be obtained from the Hospital's administrative office

Fund Financial Statements. Fund financial statements focus on the individual parts of the County, reporting the County's operations in more detail than the government-wide statements by providing information about the County's most significant "major" funds. Funds are accounting devices used to keep track of specific sources of funding and spending for particular purposes.

The governmental funds statements tell how general governmental activities were financed in the short term as well as what remains for future spending.

Fiduciary funds statements provide information about financial relationships in which the County acts solely as a trustee or agent for the benefit of others. Fiduciary funds are not included on the government-wide statements.

SAUNDERS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

Notes to the Financial Statements. The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide essential information necessary for fair presentation of the financial statements.

Supplementary Information. This Management's Discussion and Analysis and the budgetary comparison schedules represent financial information which provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes. This report also includes optional financial information such as combining statements for nonmajor funds (which are shown in the fund financial statements in a single column), budgetary comparison information for nonmajor funds, a schedule of office activities, and a schedule of taxes certified and collected for political subdivisions in the County. This information is provided to address certain specific needs of various users of the report.

BASIS OF ACCOUNTING

The County's financial statements are presented on the cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and related assets and liabilities. Under the cash basis of accounting, receipts and disbursements and related assets and liabilities are recorded when they result from cash transactions.

As a result of the use of the cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. Also, capital assets (land, buildings, furniture, equipment, and infrastructure) and the related depreciation are not recorded. Therefore, when reviewing the financial information and discussion within this report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Changes in Net Assets

For the fiscal year ended June 30, 2004, net assets of the County (current assets resulting from cash basis transactions) increased ten percent.

	Governmental Activities		
	2004	2003	% Change
Restricted	\$ 131,985	\$ 116,405	13%
Unrestricted	4,259,828	3,887,076	10%
Total Net Assets	<u>\$ 4,391,813</u>	<u>\$ 4,003,481</u>	<u>10%</u>

SAUNDERS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

Governmental Activities

Receipts for the County's governmental activities decreased one percent, while expenses decreased three percent.

CHANGES IN NET ASSETS

	Governmental Activities		% Change
	2004	2003	
RECEIPTS:			
Program Receipts:			
Charges for Services	\$ 776,746	\$ 743,458	4%
Operating Grants & Contributions	2,217,257	2,651,250	-16%
General Receipts:			
Taxes	4,136,349	3,801,625	9%
Non-restricted Grants & Contributions	318,384	329,988	-4%
Investment Interest	97,163	140,827	-31%
Other	346,106	334,250	4%
	<u>7,892,005</u>	<u>8,001,398</u>	<u>-1%</u>
DISBURSEMENTS:			
General Government	2,332,399	2,317,872	-1%
Public Safety	2,014,310	1,924,692	-5%
Public Works	2,599,557	2,430,031	-7%
Health and Sanitation	153,009	657,703	77%
Public Assistance	368,280	400,159	8%
Culture and Recreation	36,118	30,382	-19%
Total Disbursements	<u>7,503,673</u>	<u>7,760,839</u>	<u>3%</u>
Excess before Other Financing Sources And Uses	388,332	240,559	61%
Beginning Net Assets July 1	<u>4,003,481</u>	<u>3,762,922</u>	<u>6%</u>
Ending Net Assets June 30	<u>\$ 4,391,813</u>	<u>\$ 4,003,481</u>	<u>10%</u>

The significant change in the Investment Interest amount for 2004 was largely due to the reduction of interest rates offered by financial institutions for County investments.

The significant change noted in the Health and Sanitation disbursements was a result of the County receiving from the State of Nebraska and then disbursing to the Three Rivers Public Health Department \$458,640, in fiscal year 2003.

SAUNDERS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. No significant changes from the prior year were noted.

GENERAL FUND BUDGETARY HIGHLIGHTS

No significant differences were noted between the original and final budget amounts, or between final budget amounts and actual budget results for the General Fund

CAPITAL ASSET AND DEBT ADMINISTRATION

As noted earlier, the financial statements are presented on the cash basis of accounting and therefore do not include capital assets or long-term debt activity.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

No conditions were noted that would be expected to have a significant effect on the financial position or results of operations of the County.

SAUNDERS COUNTY
STATEMENT OF NET ASSETS - CASH BASIS
 June 30, 2004

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents (Note 1.D)	\$ 4,391,813
TOTAL ASSETS	<u>\$ 4,391,813</u>
 NET ASSETS	
Restricted for:	
-Veterans' Aid	\$ 83,933
-Visitor Promotion	21,636
Other Purposes	26,416
Unrestricted	<u>4,259,828</u>
TOTAL NET ASSETS	<u>\$ 4,391,813</u>

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

SAUNDERS COUNTY
STATEMENT OF ACTIVITIES - CASH BASIS
For the Year Ended June 30, 2004

Functions:	Cash Disbursements	Program Cash Receipts		Net (Disbursement)
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Receipts and Changes in Net Assets
Governmental Activities:				
General Government	\$ (2,332,399)	\$ 546,849	\$ 129,548	\$ (1,656,002)
Public Safety	(2,014,310)	77,791	20,500	(1,916,019)
Public Works	(2,599,557)	26,383	1,919,720	(653,454)
Health and Sanitation	(153,009)	54,193	20,878	(77,938)
Public Assistance	(368,280)	71,530	126,611	(170,139)
Culture and Recreation	(36,118)	-	-	(36,118)
Debt Payments	-	-	-	-
Capital Outlay	-	-	-	-
Total Governmental Activities	\$ (7,503,673)	\$ 776,746	\$ 2,217,257	(4,509,670)

General Receipts:

Property Taxes	4,136,349
Grants and Contributions not Restricted to Specific Programs	318,384
Investment Income	97,163
Miscellaneous	346,106
Total General Receipts	4,898,002
 Change in Net Assets	 388,332
Net Assets - Beginning	4,003,481
Net Assets - Ending	\$ 4,391,813

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, 2004

	<u>General Fund</u>	<u>Road Fund</u>	<u>Inheritance Fund</u>	<u>Building Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents (Note 1.D)	\$ 604,435	\$ 955,804	\$ 977,432	\$ 1,261,052	\$ 593,090	\$ 4,391,813
TOTAL ASSETS	<u>\$ 604,435</u>	<u>\$ 955,804</u>	<u>\$ 977,432</u>	<u>\$ 1,261,052</u>	<u>\$ 593,090</u>	<u>\$ 4,391,813</u>
FUND BALANCES						
Unreserved, reported in:						
General fund	\$ 604,435	\$ -	\$ -	\$ -	\$ -	\$ 604,435
Special revenue funds	-	955,804	977,432	1,261,052	593,090	3,787,378
TOTAL FUND BALANCES	<u>\$ 604,435</u>	<u>\$ 955,804</u>	<u>\$ 977,432</u>	<u>\$ 1,261,052</u>	<u>\$ 593,090</u>	<u>\$ 4,391,813</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, 2004

	General Fund	Road Fund	Inheritance Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
RECEIPTS						
Property Taxes	\$ 3,033,177	\$ 292,464	\$ 576,803	\$ 6,000	\$ 227,905	\$ 4,136,349
Licenses and Permits	185,547	-	-	-	-	185,547
Interest	69,776	-	-	26,289	1,098	97,163
Intergovernmental	388,116	1,967,654	-	392	179,479	2,535,641
Charges for Services	591,757	14,842	-	11,451	158,696	776,746
Miscellaneous	54,304	41,406	-	12,859	51,990	160,559
TOTAL RECEIPTS	<u>4,322,677</u>	<u>2,316,366</u>	<u>576,803</u>	<u>56,991</u>	<u>619,168</u>	<u>7,892,005</u>
DISBURSEMENTS						
General Government	2,166,214	-	112,559	47,225	6,401	2,332,399
Public Safety	1,645,810	-	-	-	368,500	2,014,310
Public Works	142,934	2,147,339	-	-	309,284	2,599,557
Health and Sanitation	75,084	-	-	-	77,925	153,009
Public Assistance	43,466	-	-	-	324,814	368,280
Culture and Recreation	21,750	-	-	-	14,368	36,118
TOTAL DISBURSEMENTS	<u>4,095,258</u>	<u>2,147,339</u>	<u>112,559</u>	<u>47,225</u>	<u>1,101,292</u>	<u>7,503,673</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>227,419</u>	<u>169,027</u>	<u>464,244</u>	<u>9,766</u>	<u>(482,124)</u>	<u>388,332</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	57,968	-	-	37,500	529,025	624,493
Transfers Out	(279,405)	-	(274,948)	(57,968)	(12,172)	(624,493)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(221,437)</u>	<u>-</u>	<u>(274,948)</u>	<u>(20,468)</u>	<u>516,853</u>	<u>-</u>
Net Change in Fund Balances	5,982	169,027	189,296	(10,702)	34,729	388,332
CASH BASIS FUND BALANCES - BEGINNING	<u>598,453</u>	<u>786,777</u>	<u>788,136</u>	<u>1,271,754</u>	<u>558,361</u>	<u>4,003,481</u>
CASH BASIS FUND BALANCES - ENDING	<u>\$ 604,435</u>	<u>\$ 955,804</u>	<u>\$ 977,432</u>	<u>\$ 1,261,052</u>	<u>\$ 593,090</u>	<u>\$ 4,391,813</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, 2004

	<u>Agency Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,880,156
 LIABILITIES	
Due to Other Governments	
State	303,983
Schools	1,200,461
Educational Service Units	2,788
Technical College	12,297
Natural Resource Districts	7,779
Fire Districts	9,143
Municipalities	68,857
Agricultural Society	1,765
Drainage Districts	32,282
Townships	9,264
Sanitary and Improvement Districts	1,157,784
Hospital	1,997
Others	71,756
TOTAL LIABILITIES	2,880,156
TOTAL NET ASSETS	\$ -

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2004

1. **Summary of Significant Accounting Policies**

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

A. Reporting Entity

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

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

Joint Organizations.

Mental 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 Comprehensive Community Mental Health Services Act and the Developmental Disabilities Services Act (Acts). Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided under each of the Acts. The Region consists of the following counties: Polk, Butler, Saunders, Seward, Lancaster, Otoe, Fillmore, Saline, Thayer, Jefferson, Gage, Johnson, Nemaha, Pawnee, York, and Richardson.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 Acts. Funding is provided by a combination of Federal, State, local, and private funding. The County contributed \$72,456 toward the operation of the Region during fiscal year 2004. 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.

Three Rivers Health Department - The County has entered into an agreement with Dodge and Washington counties to provide public health services. Agreements were established under the authority of the Interlocal Cooperation Act for services to be provided per State Statutes 71-1626 to 71-1636.

The Department's governing board is established by Statute and includes representatives from the participating county boards and the health profession. Funding is provided by a combination of federal, state, local, and private funding. 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 State Statute 84-304. Financial information for the Department is available in that report.

B. Basis of Presentation

Government-wide Financial Statements. The Statement of Net Assets - Cash Basis and Statement of Activities - Cash Basis display information about the activities of the County, and are in the format of government-wide statements as required by GASB Statement Number 34. These statements include all the financial activities of the County, except for fiduciary activities and the Hospital. Internal activities in these statements have not been eliminated. Governmental GAAP would require internal activity to be eliminated to minimize double counting. The County reports governmental activities only. Governmental activities generally are financed through taxes, intergovernmental revenues, 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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

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

The County reports the following major governmental funds:

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

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

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

Building Fund. This fund is used to account for costs associated with repair and maintenance of the County buildings.

The County reports the following additional fund types:

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

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

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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. Revenues are recognized when received and expenditures 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 revenues are recorded when earned and expenses 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, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

D. Assets and Net Assets

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

Investments. The types of investments in which the County is authorized to invest funds are enumerated in Neb. Rev. Stat. Sections 77-2315 R.R.S. 1996, 77-2340 R.S.Supp., 2002, and 77-2341 R.R.S. 1996, 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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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 an expenditure 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.

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. Section 77-2315 R.R.S. 1996.

At year end, the County's carrying amount of deposits was \$4,391,813 for County funds and \$2,880,156 for Fiduciary funds. The bank balances for all funds totaled \$7,175,624. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits as of June 30, 2004 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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

3. **Property Taxes** (Concluded)

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

The levy set in October 2003, for the 2003 taxes which will be materially collected in May and September, 2004, was set at \$.21761/\$100 of assessed valuation. The levy set in October 2002, for the 2002 taxes which were materially collected in May and September, 2003, was set at \$.22027/\$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 defined contribution plan administered by the Public Employees Retirement Board in accordance with the provisions of the County Employees Retirement Act. The Plan provisions are established under Neb. Rev. Stat. Sections 23-2301 through 23-2335 and may be amended through legislative action.

Participation in the Plan is required of all full time employees upon the completion of 12 months of continuous service and of all full time elected officials upon taking office. Full time or part time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 25 and completing a total of 12 months service within a five-year period. Part time elected officials may exercise the option to join.

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by Neb. Rev. Stat. Sections 23-2307 and 23-2308 R.S.Supp., 2002, 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, including the twelve month eligibility period 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.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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

For the year ended June 30, 2004, 103 employees contributed \$139,435; the County contributed \$209,045. Additionally, for the year ended June 30, 2004, 11 law enforcement employees and the County contributed \$3,759 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$2,606 directly to 20 retired employees for prior service benefits.

5. **Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 72 counties throughout Nebraska.

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

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

5. Risk Management (Concluded)

	NIRMA Coverage	Maximum Coverage
General Liability Claim	\$ 300,000	\$ 3,000,000
Worker's Compensation Claim	\$ 300,000	Statutory Limits
Property Damage Claim	\$ 25,000	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 2005. 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, 2004, consisted of the following:

Transfers to	Transfers from				Total
	General Fund	Inheritance Fund	Building Fund	Nonmajor Funds	
General Fund	\$ -	\$ -	\$ 57,968	\$ -	\$ 57,968
Inheritance Fund	-	-	-	-	-
Building Fund	37,500	-	-	-	37,500
Nonmajor Funds	241,905	274,948	-	12,172	529,025
Total	\$ 279,405	\$ 274,948	\$ 57,968	\$ 12,172	\$ 624,493

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

7. Capital Leases Payable

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

7. Capital Leases Payable (Concluded)

	Pitney Bowes Postage Machine
Balance July 1, 2003	\$ 10,212
Payments	2,286
Purchases	-
Balance June 30, 2004	\$ 7,926
Future Payments:	
Year	
2005	\$ 4,200
2006	4,200
2007	1,750
2008	-
2009	-
2010-2014	-
Total Payments	10,150
Less Interest	2,224
Present Value of Future Minimum Lease Payments	\$ 7,926
Carrying Value of the Related Fixed Asset	\$ 12,994

8. 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.

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
RECEIPTS				
Taxes	\$ 2,882,962	\$ 2,882,962	\$ 3,033,177	\$ 150,215
Licenses and Permits	145,000	145,000	185,547	40,547
Interest	75,000	75,000	69,776	(5,224)
Intergovernmental	181,150	181,150	388,116	206,966
Charges for Services	434,369	434,369	591,757	157,388
Miscellaneous	101,731	101,731	54,304	(47,427)
TOTAL RECEIPTS	3,820,212	3,820,212	4,322,677	502,465
DISBURSEMENTS				
General Government:				
County Board	129,438	129,438	126,625	2,813
County Clerk	119,630	119,630	119,576	54
County Treasurer	244,042	244,042	244,247	(205)
Register of Deeds	80,878	81,717	81,717	-
Board of Equalization	17,700	17,700	14,151	3,549
Election Commissioner	64,352	64,352	64,310	42
Clerk of the District Court	71,576	71,576	70,751	825
IV-D Clerk of the District Court	53,594	53,594	52,664	930
District Judge	1,700	1,700	1,699	1
Public Defender	99,115	99,115	99,056	59
Building and Zoning	72,438	72,438	68,105	4,333
Building and Grounds	132,973	132,973	128,623	4,350
Agricultural Extension Agent	70,630	70,630	70,629	1
Miscellaneous	1,314,731	1,200,535	1,024,061	176,474
Public Safety:				
County Sheriff	776,900	840,360	840,360	-
County Attorney	200,830	200,830	200,824	6
IV-D County Attorney	61,862	61,862	61,858	4
County Jail	426,313	475,950	475,950	-
Emergency Management	19,540	19,540	19,540	-
Miscellaneous	91,784	91,784	47,278	44,506
Public Works:				
County Surveyor	75,911	75,911	74,531	1,380
Highway Department	83,800	83,800	68,403	15,397
Public Health:				
Miscellaneous	77,456	77,456	75,084	2,372
Public Assistance:				
Veterans' Service Officer	33,143	33,143	33,066	77
Miscellaneous	10,140	10,400	10,400	-
Culture and Recreation:				
Miscellaneous	22,500	22,500	21,750	750
TOTAL DISBURSEMENTS	4,352,976	4,352,976	4,095,258	257,718
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(532,764)	(532,764)	227,419	760,183
OTHER FINANCING SOURCES (USES)				
Transfers In	1,008,581	1,008,581	57,968	(950,613)
Transfers Out	(374,270)	(374,270)	(279,405)	94,865
TOTAL OTHER FINANCING SOURCES (USES)	634,311	634,311	(221,437)	(855,748)
Net Change in Fund Balance	101,547	101,547	5,982	(95,565)
FUND BALANCES - BEGINNING	598,453	598,453	598,453	-
FUND BALANCES - ENDING	\$ 700,000	\$ 700,000	\$ 604,435	\$ (95,565)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ROAD FUND				
RECEIPTS				
Taxes	\$ 274,073	\$ 274,073	\$ 292,464	\$ 18,391
Licenses and Permits	-	-	-	-
Interest	-	-	-	-
Intergovernmental	1,771,900	1,771,900	1,967,654	195,754
Charges for Services	-	-	14,842	14,842
Miscellaneous	68,000	68,000	41,406	(26,594)
TOTAL RECEIPTS	<u>2,113,973</u>	<u>2,113,973</u>	<u>2,316,366</u>	<u>202,393</u>
DISBURSEMENTS	<u>2,675,750</u>	<u>2,675,750</u>	<u>2,147,339</u>	<u>528,411</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(561,777)	(561,777)	169,027	730,804
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(561,777)	(561,777)	169,027	730,804
FUND BALANCE - BEGINNING	786,777	786,777	786,777	-
FUND BALANCE - ENDING	<u>\$ 225,000</u>	<u>\$ 225,000</u>	<u>\$ 955,804</u>	<u>\$ 730,804</u>
INHERITANCE FUND				
RECEIPTS				
Taxes	\$ 200,000	\$ 200,000	\$ 576,803	\$ 376,803
Licenses and Permits	-	-	-	-
Interest	-	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL RECEIPTS	<u>200,000</u>	<u>200,000</u>	<u>576,803</u>	<u>376,803</u>
DISBURSEMENTS	<u>144,048</u>	<u>144,048</u>	<u>112,559</u>	<u>31,489</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	55,952	55,952	464,244	408,292
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(844,088)	(844,088)	(274,948)	569,140
TOTAL OTHER FINANCING SOURCES (USES)	<u>(844,088)</u>	<u>(844,088)</u>	<u>(274,948)</u>	<u>569,140</u>
Net Change in Fund Balance	(788,136)	(788,136)	189,296	977,432
FUND BALANCE - BEGINNING	788,136	788,136	788,136	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 977,432</u>	<u>\$ 977,432</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
MAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
BUILDING FUND				
RECEIPTS				
Taxes	\$ 10,000	\$ 10,000	\$ 6,000	\$ (4,000)
Licenses and Permits	-	-	-	-
Interest	40,000	40,000	26,289	(13,711)
Intergovernmental	-	-	392	392
Charges for Services	7,400	7,400	11,451	4,051
Miscellaneous	2,000	2,000	12,859	10,859
TOTAL RECEIPTS	<u>59,400</u>	<u>59,400</u>	<u>56,991</u>	<u>(2,409)</u>
DISBURSEMENTS	<u>925,819</u>	<u>925,819</u>	<u>47,225</u>	<u>878,594</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(866,419)	(866,419)	9,766	876,185
OTHER FINANCING SOURCES (USES)				
Transfers In	50,000	50,000	37,500	(12,500)
Transfers Out	(455,335)	(455,335)	(57,968)	397,367
TOTAL OTHER FINANCING SOURCES (USES)	<u>(405,335)</u>	<u>(405,335)</u>	<u>(20,468)</u>	<u>384,867</u>
Net Change in Fund Balance	(1,271,754)	(1,271,754)	(10,702)	1,261,052
FUND BALANCE - BEGINNING	1,271,754	1,271,754	1,271,754	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,261,052</u>	<u>\$ 1,261,052</u>

(Concluded)

SAUNDERS COUNTY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2004

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

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

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

Excess of Expenditures Over Appropriations

For the year ended June 30, 2004, expenditures exceeded budgeted appropriations in the Treasurer function of the General Fund by \$205. 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 FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2004

	Special Road Fund	Visitors Improvement Fund	Visitor Promotion Fund	Unemployment Fund	Medical Relief Fund	Institutions Fund
RECEIPTS						
Property Taxes	\$ 2	\$ -	\$ 6,602	\$ 4,310	\$ 19,649	\$ 11,375
Licenses and Permits	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Intergovernmental	5,429	-	-	281	919	735
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
TOTAL RECEIPTS	5,431	-	6,602	4,591	20,568	12,110
DISBURSEMENTS						
General Government	-	-	-	6,401	-	-
Public Safety	-	-	-	-	-	-
Public Works	233,135	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	14,721	10,432
Culture and Recreation	-	-	7,942	-	-	-
TOTAL DISBURSEMENTS	233,135	-	7,942	6,401	14,721	10,432
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(227,704)	-	(1,340)	(1,810)	5,847	1,678
OTHER FINANCING SOURCES (USES)						
Transfers In	227,704	11,820	-	-	-	-
Transfers Out	-	-	(11,820)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	227,704	11,820	(11,820)	-	-	-
Net Change in Fund Balances	-	11,820	(13,160)	(1,810)	5,847	1,678
FUND BALANCES - BEGINNING	-	-	22,976	17,776	20,638	9,286
FUND BALANCES - ENDING	\$ -	\$ 11,820	\$ 9,816	\$ 15,966	\$ 26,485	\$ 10,964

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2004

	Veterans' Aid Fund	Transportation Fund	Tri-County Inter City Bus Fund	Senior Citizen Services Center Fund	Diversion Program Fund	STOP Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Interest	906	-	-	-	-	169
Intergovernmental	-	46,201	-	80,410	18,869	-
Charges for Services	-	2,998	-	68,532	8,005	-
Miscellaneous	728	-	-	9,948	2,042	27,050
TOTAL RECEIPTS	1,634	49,199	-	158,890	28,916	27,219
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	88,344	29,396
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	62,469	-	237,192	-	-
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	-	62,469	-	237,192	88,344	29,396
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	1,634	(13,270)	-	(78,302)	(59,428)	(2,177)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	14,553	-	93,707	72,263	-
Transfers Out	-	-	(352)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	14,553	(352)	93,707	72,263	-
Net Change in Fund Balances	1,634	1,283	(352)	15,405	12,835	(2,177)
FUND BALANCES - BEGINNING	82,299	2,102	352	22,687	956	19,881
FUND BALANCES - ENDING	\$ 83,933	\$ 3,385	\$ -	\$ 38,092	\$ 13,791	\$ 17,704

(Continued)

SAUNDERS COUNTY
COMBINING STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2004

	Drug Fund	Weed Fund	Drug Testing Fund	Federal Grant Fund	Health Department Fund	Jail Project Fund
RECEIPTS						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,634
Licenses and Permits	-	-	-	-	-	-
Interest	-	-	-	10	-	-
Intergovernmental	-	-	-	1,000	20,878	325
Charges for Services	-	11,541	-	-	54,193	-
Miscellaneous	2,488	1,719	-	-	1,864	61
TOTAL RECEIPTS	<u>2,488</u>	<u>13,260</u>	<u>-</u>	<u>1,010</u>	<u>76,935</u>	<u>9,020</u>
DISBURSEMENTS						
General Government	-	-	-	-	-	-
Public Safety	867	-	-	-	-	27,960
Public Works	-	76,149	-	-	-	-
Health and Sanitation	-	-	-	-	77,925	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
TOTAL DISBURSEMENTS	<u>867</u>	<u>76,149</u>	<u>-</u>	<u>-</u>	<u>77,925</u>	<u>27,960</u>
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	<u>1,621</u>	<u>(62,889)</u>	<u>-</u>	<u>1,010</u>	<u>(990)</u>	<u>(18,940)</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	62,889	-	-	23,604	18,561
Transfers Out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>62,889</u>	<u>-</u>	<u>-</u>	<u>23,604</u>	<u>18,561</u>
Net Change in Fund Balances	1,621	-	-	1,010	22,614	(379)
FUND BALANCES - BEGINNING	<u>2,442</u>	<u>317</u>	<u>19,769</u>	<u>1,628</u>	<u>3,079</u>	<u>4,558</u>
FUND BALANCES - ENDING	<u>\$ 4,063</u>	<u>\$ 317</u>	<u>\$ 19,769</u>	<u>\$ 2,638</u>	<u>\$ 25,693</u>	<u>\$ 4,179</u>

(Continued)

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

For the Year Ended June 30, 2004

	Flood Control Fund	Youth Camp Fund	Ambulance Fund	E911 Emergency Services Fund	Total Nonmajor Governmental Funds
RECEIPTS					
Property Taxes	\$ 125,795	\$ -	\$ -	\$ 51,538	\$ 227,905
Licenses and Permits	-	-	-	-	-
Interest	-	13	-	-	1,098
Intergovernmental	4,432	-	-	-	179,479
Charges for Services	-	-	13,427	-	158,696
Miscellaneous	-	5,926	-	164	51,990
TOTAL RECEIPTS	130,227	5,939	13,427	51,702	619,168
DISBURSEMENTS					
General Government	-	-	-	-	6,401
Public Safety	168,611	-	14,252	39,070	368,500
Public Works	-	-	-	-	309,284
Health and Sanitation	-	-	-	-	77,925
Public Assistance	-	-	-	-	324,814
Culture and Recreation	-	6,426	-	-	14,368
TOTAL DISBURSEMENTS	168,611	6,426	14,252	39,070	1,101,292
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(38,384)	(487)	(825)	12,632	(482,124)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	3,901	23	529,025
Transfers Out	-	-	-	-	(12,172)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	3,901	23	516,853
Net Change in Fund Balances	(38,384)	(487)	3,076	12,655	34,729
FUND BALANCES - BEGINNING	316,977	3,578	-	7,060	558,361
FUND BALANCES - ENDING	\$ 278,593	\$ 3,091	\$ 3,076	\$ 19,715	\$ 593,090

(Concluded)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SPECIAL ROAD FUND				
RECEIPTS				
Taxes	\$ -	\$ -	\$ 2	\$ 2
Intergovernmental	12,100	12,100	5,429	(6,671)
TOTAL RECEIPTS	12,100	12,100	5,431	(6,669)
DISBURSEMENTS	317,000	317,000	233,135	83,865
OTHER FINANCING SOURCES (USES)				
Transfers In	304,900	304,900	227,704	(77,196)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	304,900	304,900	227,704	(77,196)
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ -	\$ -
VISITORS IMPROVEMENT FUND				
RECEIPTS				
	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS				
	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	11,820	11,820
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	11,820	11,820
Net Change in Fund Balance	-	-	11,820	11,820
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 11,820	\$ 11,820
VISITOR PROMOTION FUND				
RECEIPTS				
Taxes	\$ 6,000	\$ 6,000	\$ 6,602	\$ 602
TOTAL RECEIPTS	6,000	6,000	6,602	602
DISBURSEMENTS	28,976	28,976	7,942	21,034
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	(11,820)	11,820
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(11,820)	11,820
Net Change in Fund Balance	(22,976)	(22,976)	(13,160)	33,456
FUND BALANCE - BEGINNING	22,976	22,976	22,976	-
FUND BALANCE - ENDING	\$ -	\$ -	\$ 9,816	\$ 33,456

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
UNEMPLOYMENT FUND				
RECEIPTS				
Taxes	\$ 7,224	\$ 7,224	\$ 4,310	\$ (2,914)
Intergovernmental	-	-	281	281
TOTAL RECEIPTS	7,224	7,224	4,591	(2,633)
DISBURSEMENTS	25,000	25,000	6,401	18,599
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(17,776)	(17,776)	(1,810)	15,966
FUND BALANCE - BEGINNING	17,776	17,776	17,776	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,966</u>	<u>\$ 15,966</u>
MEDICAL RELIEF FUND				
RECEIPTS				
Taxes	\$ 19,177	\$ 19,177	\$ 19,649	\$ 472
Intergovernmental	185	185	919	734
TOTAL RECEIPTS	19,362	19,362	20,568	1,206
DISBURSEMENTS	40,000	40,000	14,721	25,279
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(20,638)	(20,638)	5,847	26,485
FUND BALANCE - BEGINNING	20,638	20,638	20,638	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,485</u>	<u>\$ 26,485</u>
INSTITUTIONS FUND				
RECEIPTS				
Taxes	\$ 10,399	\$ 10,399	\$ 11,375	\$ 976
Intergovernmental	315	315	735	420
TOTAL RECEIPTS	10,714	10,714	12,110	1,396
DISBURSEMENTS	25,000	25,000	10,432	14,568
OTHER FINANCING SOURCES (USES)				
Transfers In	5,000	5,000	-	(5,000)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	5,000	5,000	-	(5,000)
Net Change in Fund Balance	(9,286)	(9,286)	1,678	10,964
FUND BALANCE - BEGINNING	9,286	9,286	9,286	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,964</u>	<u>\$ 10,964</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
VETERANS' AID FUND				
RECEIPTS				
Interest	\$ 3,000	\$ 3,000	\$ 906	\$ (2,094)
Miscellaneous	-	-	728	728
TOTAL RECEIPTS	3,000	3,000	1,634	(1,366)
DISBURSEMENTS	85,299	85,299	-	85,299
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(82,299)	(82,299)	1,634	83,933
FUND BALANCE - BEGINNING	82,299	82,299	82,299	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,933</u>	<u>\$ 83,933</u>
TRANSPORTATION FUND				
RECEIPTS				
Intergovernmental	\$ 50,936	\$ 50,936	\$ 46,201	\$ (4,735)
Charges for Services	2,000	2,000	2,998	998
TOTAL RECEIPTS	52,936	52,936	49,199	(3,737)
DISBURSEMENTS	74,760	74,760	62,469	12,291
OTHER FINANCING SOURCES (USES)				
Transfers In	19,722	19,722	14,553	(5,169)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	19,722	19,722	14,553	(5,169)
Net Change in Fund Balance	(2,102)	(2,102)	1,283	3,385
FUND BALANCE - BEGINNING	2,102	2,102	2,102	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,385</u>	<u>\$ 3,385</u>
TRI-COUNTY INTER CITY BUS FUND				
RECEIPTS	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(352)	(352)	(352)	-
TOTAL OTHER FINANCING SOURCES (USES)	(352)	(352)	(352)	-
Net Change in Fund Balance	(352)	(352)	(352)	-
FUND BALANCE - BEGINNING	352	352	352	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SENIOR CITIZEN SERVICES CENTER FUND				
RECEIPTS				
Intergovernmental	\$ 76,655	\$ 76,655	\$ 80,410	\$ 3,755
Charges for Services	75,757	75,757	68,532	(7,225)
Miscellaneous	12,200	12,200	9,948	(2,252)
TOTAL RECEIPTS	164,612	164,612	158,890	(5,722)
DISBURSEMENTS	240,000	240,000	237,192	2,808
OTHER FINANCING SOURCES (USES)				
Transfers In	52,701	52,701	93,707	41,006
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	52,701	52,701	93,707	41,006
Net Change in Fund Balance	(22,687)	(22,687)	15,405	38,092
FUND BALANCE - BEGINNING	22,687	22,687	22,687	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,092</u>	<u>\$ 38,092</u>
DIVERSION PROGRAM FUND				
RECEIPTS				
Intergovernmental	\$ 27,000	\$ 27,000	\$ 18,869	\$ (8,131)
Charges for Services	7,900	7,900	8,005	105
Miscellaneous	5,000	5,000	2,042	(2,958)
TOTAL RECEIPTS	39,900	39,900	28,916	(10,984)
DISBURSEMENTS	105,150	105,150	88,344	16,806
OTHER FINANCING SOURCES (USES)				
Transfers In	64,294	64,294	72,263	7,969
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	64,294	64,294	72,263	7,969
Net Change in Fund Balance	(956)	(956)	12,835	13,791
FUND BALANCE - BEGINNING	956	956	956	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,791</u>	<u>\$ 13,791</u>
STOP FUND				
RECEIPTS				
Interest	\$ 100	\$ 100	\$ 169	\$ 69
Miscellaneous	25,000	25,000	27,050	2,050
TOTAL RECEIPTS	25,100	25,100	27,219	2,119
DISBURSEMENTS	44,981	44,981	29,396	15,585
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(19,881)	(19,881)	(2,177)	17,704
FUND BALANCE - BEGINNING	19,881	19,881	19,881	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,704</u>	<u>\$ 17,704</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DRUG FUND				
RECEIPTS				
Miscellaneous	\$ 10,000	\$ 10,000	\$ 2,488	\$ (7,512)
TOTAL RECEIPTS	<u>10,000</u>	<u>10,000</u>	<u>2,488</u>	<u>(7,512)</u>
DISBURSEMENTS	<u>12,442</u>	<u>12,442</u>	<u>867</u>	<u>11,575</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(2,442)	(2,442)	1,621	4,063
FUND BALANCE - BEGINNING	2,442	2,442	2,442	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,063</u>	<u>\$ 4,063</u>
WEED FUND				
RECEIPTS				
Charges for Services	\$ 8,500	\$ 8,500	\$ 11,541	\$ 3,041
Miscellaneous	-	-	1,719	1,719
TOTAL RECEIPTS	<u>8,500</u>	<u>8,500</u>	<u>13,260</u>	<u>4,760</u>
DISBURSEMENTS	<u>82,873</u>	<u>82,873</u>	<u>76,149</u>	<u>6,724</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	74,056	74,056	62,889	(11,167)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>74,056</u>	<u>74,056</u>	<u>62,889</u>	<u>(11,167)</u>
Net Change in Fund Balance	(317)	(317)	-	317
FUND BALANCE - BEGINNING	317	317	317	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 317</u>	<u>\$ 317</u>
DRUG TESTING FUND				
RECEIPTS				
Charges for Services	\$ 1,200	\$ 1,200	-	\$ (1,200)
TOTAL RECEIPTS	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>(1,200)</u>
DISBURSEMENTS	<u>20,969</u>	<u>20,969</u>	<u>-</u>	<u>20,969</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(19,769)	(19,769)	-	19,769
FUND BALANCE - BEGINNING	19,769	19,769	19,769	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,769</u>	<u>\$ 19,769</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
FEDERAL GRANT FUND				
RECEIPTS				
Interest	\$ -	\$ -	\$ 10	\$ 10
Intergovernmental	238,372	238,372	1,000	(237,372)
TOTAL RECEIPTS	238,372	238,372	1,010	(237,362)
DISBURSEMENTS	230,000	230,000	-	230,000
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(10,000)	(10,000)	-	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)	(10,000)	(10,000)	-	(10,000)
Net Change in Fund Balance	(1,628)	(1,628)	1,010	(17,362)
FUND BALANCE - BEGINNING	1,628	1,628	1,628	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,638</u>	<u>\$ (17,362)</u>
HEALTH DEPARTMENT FUND				
RECEIPTS				
Intergovernmental	\$ 27,979	\$ 27,979	\$ 20,878	\$ (7,101)
Charges for Services	37,217	37,217	54,193	16,976
Miscellaneous	2,000	2,000	1,864	(136)
TOTAL RECEIPTS	67,196	67,196	76,935	9,739
DISBURSEMENTS	118,275	118,275	77,925	40,350
OTHER FINANCING SOURCES (USES)				
Transfers In	48,000	48,000	23,604	(24,396)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	48,000	48,000	23,604	(24,396)
Net Change in Fund Balance	(3,079)	(3,079)	22,614	25,693
FUND BALANCE - BEGINNING	3,079	3,079	3,079	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,693</u>	<u>\$ 25,693</u>
JAIL PROJECT FUND				
RECEIPTS				
Taxes	\$ 8,011	\$ 8,011	\$ 8,634	\$ 623
Intergovernmental	80	80	325	245
Miscellaneous	-	-	61	61
TOTAL RECEIPTS	8,091	8,091	9,020	929
DISBURSEMENTS	40,000	40,000	27,960	12,040
OTHER FINANCING SOURCES (USES)				
Transfers In	27,351	27,351	18,561	(8,790)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	27,351	27,351	18,561	(8,790)
Net Change in Fund Balance	(4,558)	(4,558)	(379)	4,179
FUND BALANCE - BEGINNING	4,558	4,558	4,558	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,179</u>	<u>\$ 4,179</u>

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
FLOOD CONTROL FUND				
RECEIPTS				
Taxes	\$ 72,801	\$ 72,801	\$ 125,795	\$ 52,994
Intergovernmental	1,075	1,075	4,432	3,357
TOTAL RECEIPTS	73,876	73,876	130,227	56,351
DISBURSEMENTS	390,853	390,853	168,611	222,242
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(316,977)	(316,977)	(38,384)	278,593
FUND BALANCE - BEGINNING	316,977	316,977	316,977	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 278,593</u>	<u>\$ 278,593</u>
YOUTH CAMP FUND				
RECEIPTS				
Interest	\$ 100	\$ 100	\$ 13	\$ (87)
Miscellaneous	8,050	8,050	5,926	(2,124)
TOTAL RECEIPTS	8,150	8,150	5,939	(2,211)
DISBURSEMENTS	11,728	11,728	6,426	5,302
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	(3,578)	(3,578)	(487)	3,091
FUND BALANCE - BEGINNING	3,578	3,578	3,578	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,091</u>	<u>\$ 3,091</u>
AMBULANCE FUND				
RECEIPTS				
Charges for Services	\$ 8,500	\$ 8,500	\$ 13,427	\$ 4,927
TOTAL RECEIPTS	8,500	8,500	13,427	4,927
DISBURSEMENTS	25,000	25,000	14,252	10,748
OTHER FINANCING SOURCES (USES)				
Transfers In	16,500	16,500	3,901	(12,599)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	16,500	16,500	3,901	(12,599)
Net Change in Fund Balance	-	-	3,076	3,076
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,076</u>	<u>\$ 3,076</u>

(Continued)

SAUNDERS COUNTY
BUDGETARY COMPARISON SCHEDULE - BUDGET AND ACTUAL
NONMAJOR FUNDS

For the Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>E911 EMERGENCY SERVICES FUND</u>				
RECEIPTS				
Taxes	\$ 45,000	\$ 45,000	\$ 51,538	\$ 6,538
Miscellaneous	-	-	164	164
TOTAL RECEIPTS	<u>45,000</u>	<u>45,000</u>	<u>51,702</u>	<u>6,702</u>
 DISBURSEMENTS	 <u>65,000</u>	 <u>65,000</u>	 <u>39,070</u>	 <u>25,930</u>
 OTHER FINANCING SOURCES (USES)				
Transfers In	12,940	12,940	23	(12,917)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>12,940</u>	<u>12,940</u>	<u>23</u>	<u>(12,917)</u>
 Net Change in Fund Balance	 (7,060)	 (7,060)	 12,655	 19,715
FUND BALANCE - BEGINNING	7,060	7,060	7,060	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,715</u>	<u>\$ 19,715</u>

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2004

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent	Veterans' Service Officer
BALANCE JULY 1, 2003	\$ 19,629	\$ 23,726	\$ 31,031	\$ 40,518	\$ 443	\$ -	\$ -	\$ 9,946
RECEIPTS								
Property Taxes	6,060	-	-	120,603	-	-	-	-
Licenses and Permits	7,159	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	48,875	-
Charges for Services	47,692	181,909	14,641	49,133	31,510	13,259	14,845	-
Miscellaneous	-	-	-	-	52	-	36,547	25
State Fees	71,217	99,406	14,586	-	-	-	-	-
Other Liabilities	-	-	372,480	13,318	32,896	-	-	-
TOTAL RECEIPTS	132,128	281,315	401,707	183,054	64,458	13,259	100,267	25
DISBURSEMENTS								
Payments to County Treasurer	61,606	185,547	15,019	176,232	31,470	13,259	100,167	-
Payments to State Treasurer	70,787	96,720	13,654	-	-	-	-	-
Other Liabilities	-	-	348,783	13,319	31,205	-	-	510
TOTAL DISBURSEMENTS	132,393	282,267	377,456	189,551	62,675	13,259	100,167	510
BALANCE JUNE 30, 2004	<u>\$ 19,364</u>	<u>\$ 22,774</u>	<u>\$ 55,282</u>	<u>\$ 34,021</u>	<u>\$ 2,226</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 9,461</u>
BALANCE CONSISTS OF:								
Due to County Treasurer	\$ 3,803	\$ 13,837	\$ 1,191	\$ 29,721	\$ 92	\$ -	\$ -	\$ 9,461
Petty Cash	9,200	500	700	4,300	200	-	100	-
Due to State Treasurer	6,361	8,437	1,939	-	-	-	-	-
Due to Others	-	-	51,452	-	1,934	-	-	-
BALANCE JUNE 30, 2004	<u>\$ 19,364</u>	<u>\$ 22,774</u>	<u>\$ 55,282</u>	<u>\$ 34,021</u>	<u>\$ 2,226</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 9,461</u>

(Continued)

SAUNDERS COUNTY
SCHEDULE OF OFFICE ACTIVITIES
For the Year Ended June 30, 2004

	County Transportation	County Health	County Planning and Zoning	County Senior Services	County Youth Services	Total
BALANCE JULY 1, 2003	\$ -	\$ 100	\$ 100	\$ 278	\$ 50	\$ 125,821
RECEIPTS						
Property Taxes	-	-	-	-	-	126,663
Licenses and Permits	-	-	112,248	-	-	119,407
Intergovernmental	46,201	19,516	-	80,411	18,869	213,872
Charges for Services	2,842	53,984	-	67,866	10,047	487,728
Miscellaneous	-	1,608	-	9,893	5,926	54,051
State Fees	-	-	-	-	-	185,209
Other Liabilities	-	-	-	-	-	418,694
TOTAL RECEIPTS	49,043	75,108	112,248	158,170	34,842	1,605,624
DISBURSEMENTS						
Payments to County Treasurer	49,043	75,108	112,248	157,349	34,842	1,011,890
Payments to State Treasurer	-	-	-	-	-	181,161
Other Liabilities	-	-	-	-	-	393,817
TOTAL DISBURSEMENTS	49,043	75,108	112,248	157,349	34,842	1,586,868
 BALANCE JUNE 30, 2004	 \$ -	 \$ 100	 \$ 100	 \$ 1,099	 \$ 50	 \$ 144,577
BALANCE CONSISTS OF:						
Due to County Treasurer	\$ -	\$ -	\$ -	\$ 1,069	\$ -	\$ 59,174
Petty Cash	-	100	100	30	50	15,280
Due to State Treasurer	-	-	-	-	-	16,737
Due to Others	-	-	-	-	-	53,386
BALANCE JUNE 30, 2004	\$ -	\$ 100	\$ 100	\$ 1,099	\$ 50	\$ 144,577

(Concluded)

SAUNDERS COUNTY
SCHEDULE OF TAXES CERTIFIED AND COLLECTED
FOR ALL POLITICAL SUBDIVISIONS IN THE COUNTY
June 30, 2004

Item	1999	2000	2001	2002	2003
Tax Certified by Assessor					
Real Estate	\$ 17,663,020	\$ 18,223,901	\$ 20,331,248	\$ 21,792,924	\$ 23,345,155
Personal and Specials	1,277,364	1,344,537	1,414,112	1,419,469	1,418,549
Total	<u>18,940,384</u>	<u>19,568,438</u>	<u>21,745,360</u>	<u>23,212,393</u>	<u>24,763,704</u>
Corrections					
Additions	26,133	31,174	28,175	27,284	13,816
Deductions	<u>(47,343)</u>	<u>(42,632)</u>	<u>(34,156)</u>	<u>(31,465)</u>	<u>(25,396)</u>
Net Additions/ (Deductions)	<u>(21,210)</u>	<u>(11,458)</u>	<u>(5,981)</u>	<u>(4,181)</u>	<u>(11,580)</u>
Corrected Certified Tax	<u>18,919,174</u>	<u>19,556,980</u>	<u>21,739,379</u>	<u>23,208,212</u>	<u>24,752,124</u>
Net Tax Collected by County Treasurer during Fiscal Year Ending:					
June 30, 2000	10,671,704	-	-	-	-
June 30, 2001	8,214,227	10,835,781	-	-	-
June 30, 2002	17,934	8,659,041	12,060,908	-	-
June 30, 2003	10,575	51,142	9,567,710	12,948,417	-
June 30, 2004	1,323	9,067	95,113	10,188,774	13,778,715
Total Net Collections	<u>18,915,763</u>	<u>19,555,031</u>	<u>21,723,731</u>	<u>23,137,191</u>	<u>13,778,715</u>
Total Uncollected Tax	<u>\$ 3,411</u>	<u>\$ 1,949</u>	<u>\$ 15,648</u>	<u>\$ 71,021</u>	<u>\$ 10,973,409</u>
Percentage Uncollected Tax	<u>0.02%</u>	<u>0.01%</u>	<u>0.07%</u>	<u>0.31%</u>	<u>44.33%</u>

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SAUNDERS COUNTY

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

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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, 2004, and have issued our report thereon dated January 24, 2005. The report notes the financial statements were prepared on the basis of cash receipts and disbursements and do not include the financial data of the Saunders County Hospital, a component unit of Saunders County. Except as noted above, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Saunders County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Saunders County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The following reportable condition was noted:

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

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, the reportable condition described above is considered to be a material weakness.

Compliance and Other Matters

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

We also noted certain additional items that we reported to the management of Saunders County in a separate letter dated January 24, 2005.

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.

January 24, 2005


Deputy State Auditor