

**AUDIT REPORT  
OF  
SAUNDERS COUNTY**

**JULY 1, 2006 THROUGH JUNE 30, 2007**

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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 January 4, 2008**

SAUNDERS COUNTY

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SAUNDERS COUNTY  
**LIST OF COUNTY OFFICIALS**  
 At June 30, 2007

Name	Title	Term Expires
Doris Karloff	Board of Supervisors	Jan. 2009
Dean Busing		Jan. 2011
Scott Sukstorf		Jan. 2009
Kenneth Kuncel		Jan. 2011
Craig Breunig		Jan. 2011
Leroy Hanson		Jan. 2011
James Fauver		Jan. 2009
Scott Tingelhoff	Attorney	Jan. 2011
Patti Lindgren	Clerk Election Commissioner	Jan. 2011
Don Clark	Register of Deeds	Jan. 2011
Paul Johnson	Clerk of the District Court	Jan. 2011
Kevin Stukenholtz	Sheriff	Jan. 2011
Patricia Hunter	Treasurer	Jan. 2011
Herbert Barnes	Veterans' Service Officer	Appointed
Ed Sladky	Weed Superintendent	Appointed
Steve Mika	Highway Superintendent	Appointed
George Borreson	Planning & Zoning	Appointed
Sheri Schaeffer	Senior Services	Appointed
Pam Lausterer	Youth Services	Appointed



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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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, 2007, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

The financial statements referred to above include only the primary government of Saunders County, which consists of all funds, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component units, which accounting principles generally accepted in the United States of America

require to be reported with the financial data of the County's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of Saunders County as of June 30, 2007, 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, 2007, 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 December 18, 2007, on our consideration of Saunders County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

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



Assistant Deputy Auditor

December 18, 2007

SAUNDERS COUNTY  
**STATEMENT OF NET ASSETS - CASH BASIS**  
 June 30, 2007

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Cash Equivalents (Note 1.D)	\$ 21,020,998
<b>TOTAL ASSETS</b>	<u>\$ 21,020,998</u>
 <b>NET ASSETS</b>	
Restricted for:	
Veterans' Aid	\$ 90,591
911 Services	91,236
Other Purposes	11,763
Debt Service	2,487,658
Unrestricted	<u>18,339,750</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 21,020,998</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, 2007

<b>Functions:</b>	Cash Disbursements	Program Cash Receipts		Net (Disbursement)
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Receipts and Changes in Net Assets
<b>Governmental Activities:</b>				
General Government	\$ (3,501,245)	\$ 581,342	\$ 207,468	\$ (2,712,435)
Public Safety	(2,715,022)	118,117	185,637	(2,411,268)
Public Works	(3,332,398)	4,015	1,972,094	(1,356,289)
Health and Sanitation	(67,884)	-	16,825	(51,059)
Public Assistance	(433,572)	75,907	129,385	(228,280)
Culture and Recreation	(44,063)	-	-	(44,063)
Debt Payments	(1,246,847)	-	-	(1,246,847)
Capital Outlay	(14,811,366)	-	-	(14,811,366)
<b>Total Governmental Activities</b>	<b>\$ (26,152,397)</b>	<b>\$ 779,381</b>	<b>\$ 2,511,409</b>	<b>(22,861,607)</b>

General Receipts:	
Property Taxes	5,561,561
Grants and Contributions Not Restricted to Specific Programs	502,210
Investment Income	1,028,814
Miscellaneous	13,518,204
<b>Total General Receipts</b>	<b>20,610,789</b>
Change in Net Assets	(2,250,818)
Net Assets - Beginning	23,271,816
Net Assets - Ending	<b>\$ 21,020,998</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, 2007

	General Fund	Road Fund	Inheritance Fund	Construction Fund	Law Enforcement Center Construction Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents (Note 1.D)	\$ 855,264	\$ 897,352	\$ 979,529	\$ 3,295,007	\$ 10,871,583	\$ 4,122,263	\$ 21,020,998
<b>TOTAL ASSETS</b>	<u>\$ 855,264</u>	<u>\$ 897,352</u>	<u>\$ 979,529</u>	<u>\$ 3,295,007</u>	<u>\$ 10,871,583</u>	<u>\$ 4,122,263</u>	<u>\$ 21,020,998</u>
<b>FUND BALANCES</b>							
Unreserved, reported in:							
General Fund	\$ 855,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 855,264
Special Revenue Funds	-	897,352	979,529	-	-	1,634,605	3,511,486
Debt Service Funds	-	-	-	-	-	2,487,658	2,487,658
Capital Project Funds	-	-	-	3,295,007	10,871,583	-	14,166,590
<b>TOTAL CASH BASIS FUND BALANCES</b>	<u>\$ 855,264</u>	<u>\$ 897,352</u>	<u>\$ 979,529</u>	<u>\$ 3,295,007</u>	<u>\$ 10,871,583</u>	<u>\$ 4,122,263</u>	<u>\$ 21,020,998</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, 2007

	General Fund	Road Fund	Inheritance Fund	Construction Fund	Law Enforcement Center Construction	Other Governmental Funds	Total Governmental Funds
<b>RECEIPTS</b>							
Property Taxes	\$ 4,404,431	\$ 397	\$ 704,804	\$ -	\$ -	\$ 451,929	\$ 5,561,561
Licenses and Permits	177,615	-	-	-	-	-	177,615
Interest	172,634	-	-	-	-	856,180	1,028,814
Intergovernmental	297,818	2,097,314	-	-	-	618,487	3,013,619
Charges for Services	671,205	-	-	-	-	108,176	779,381
Miscellaneous	153,415	336,787	-	-	12,003,450	846,937	13,340,589
<b>TOTAL RECEIPTS</b>	<b>5,877,118</b>	<b>2,434,498</b>	<b>704,804</b>	<b>-</b>	<b>12,003,450</b>	<b>2,881,709</b>	<b>23,901,579</b>
<b>DISBURSEMENTS</b>							
General Government	3,090,136	-	153,656	-	-	257,453	3,501,245
Public Safety	2,164,528	-	-	-	-	550,494	2,715,022
Public Works	157,034	2,873,224	-	-	-	302,140	3,332,398
Health and Sanitation	66,884	-	-	-	-	1,000	67,884
Public Assistance	39,277	-	-	-	-	394,295	433,572
Culture and Recreation	26,000	-	-	-	-	18,063	44,063
Debt Service:							
Interest and Fiscal Charges	-	-	-	-	-	1,246,847	1,246,847
Capital Outlay	-	-	-	13,679,499	1,131,867	-	14,811,366
<b>TOTAL DISBURSEMENTS</b>	<b>5,543,859</b>	<b>2,873,224</b>	<b>153,656</b>	<b>13,679,499</b>	<b>1,131,867</b>	<b>2,770,292</b>	<b>26,152,397</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>333,259</b>	<b>(438,726)</b>	<b>551,148</b>	<b>(13,679,499)</b>	<b>10,871,583</b>	<b>111,417</b>	<b>(2,250,818)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	504,404	328,410	-	-	-	604,595	1,437,409
Transfers Out	(688,996)	(5,250)	(547,612)	-	-	(195,551)	(1,437,409)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(184,592)</b>	<b>323,160</b>	<b>(547,612)</b>	<b>-</b>	<b>-</b>	<b>409,044</b>	<b>-</b>
Net Change in Fund Balances	148,667	(115,566)	3,536	(13,679,499)	10,871,583	520,461	(2,250,818)
<b>CASH BASIS FUND BALANCES - BEGINNING</b>	<b>706,597</b>	<b>1,012,918</b>	<b>975,993</b>	<b>16,974,506</b>	<b>-</b>	<b>3,601,802</b>	<b>23,271,816</b>
<b>CASH BASIS FUND BALANCES - ENDING</b>	<b>\$ 855,264</b>	<b>\$ 897,352</b>	<b>\$ 979,529</b>	<b>\$ 3,295,007</b>	<b>\$ 10,871,583</b>	<b>\$ 4,122,263</b>	<b>\$ 21,020,998</b>

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, 2007

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 2,932,696
 <b>LIABILITIES</b>	
Due to Other Governments	
State	360,449
Schools	1,579,385
Educational Service Units	3,692
Technical College	16,979
Natural Resource Districts	11,130
Fire Districts	15,647
Municipalities	73,028
Agricultural Society	2,271
Drainage Districts	67,226
Townships	13,221
Sanitary and Improvement Districts	756,284
Others	33,384
<b>TOTAL LIABILITIES</b>	<b>2,932,696</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, 2007

1. **Summary of Significant Accounting Policies**

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

**A. Reporting Entity**

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

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

**Joint Organization.**

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

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 Act. Funding is provided by a combination of federal, state, local, and private funding. The County contributed \$64,545 toward the operation of the Region during fiscal year 2007. In the event of the termination of the agreement, assets would be disposed of in accordance with the terms of the agreement. The Nebraska Health and Human Services System requires the Region to be audited annually in accordance with State Statute. Financial information for the Region is available in those audit reports.

Health Department – The County has entered into an agreement with Three Rivers Health Department to provide public health services. Agreements were established under 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 customers or applicants who purchase, use, or directly benefit from goods,

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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.

**Construction Fund.** This fund is used to account for bond proceeds and expenditures for the purpose of constructing hospital facilities.

**Law Enforcement Center Construction Fund.** This fund is used to account for bond proceeds and expenditures for the purpose of constructing law enforcement facilities.

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.

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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. The accounting records of the County are maintained and the government-wide financial statements were reported on the basis of cash receipts and disbursements. As such, the measurement focus includes only those 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, 77-2340, and 77-2341 R.R.S. 2003, and generally include U.S. Government obligations, certificates of deposit, and time deposits and securities which are authorized by the Nebraska Investment Council.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

**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 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. The government-wide statement of net assets reports \$2,681,248 of restricted net assets, of which \$193,590 is restricted by enabling legislation.

2. **Deposits and Investments**

The County has generally pooled the cash resources of the various funds for investment purposes. Interest earned on pooled funds is credited to the County General Fund in accordance with Neb. Rev. Stat. Section 77-2315 R.R.S. 2003.

At year end, the County's carrying amount of deposits was \$21,020,998 for County funds and \$2,932,696 for Fiduciary funds. The bank balances for all funds totaled \$23,704,865. For purposes of classifying categories of custodial risk, the bank balances of the County's deposits as of June 30, 2007, were either entirely insured or collateralized with securities held by the County's agent in the County's name.

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

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 2006, for the 2006 taxes which will be materially collected in May and September, 2007, was set at \$.26319/\$100 of assessed valuation. The levy set in October 2005, for the 2005 taxes which were materially collected in May and September, 2006, was set at \$.23266/\$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. Part time (working less than one-half of the regularly scheduled hours) employees may elect voluntary participation upon reaching age 20. Part time elected officials may exercise the option to join.

County employees and elected officials contribute 4.5% of their total compensation. In addition, the County contributes an amount equal to 150% of the employee's contribution. The contribution rates are established by Neb. Rev. Stat. Sections 23-2307 and 23-2308 R.S.Supp., 2004, 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

SAUNDERS COUNTY

NOTES TO FINANCIAL STATEMENTS

(Continued)

4. **Retirement System** (Concluded)

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.

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, 2007, 119 employees contributed \$166,528; the County contributed \$249,791. Additionally, for the year ended June 30, 2007, 17 law enforcement employees and the County contributed \$5,123 in cash contributions for the supplemental law enforcement plan. Lastly, the County paid \$2,014 directly to 18 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 77 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	\$ 5,000,000
Worker's Compensation Claim	\$ 300,000	Statutory Limits
Property Damage Claim	\$ 75,000	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 2008. 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, 2007, consisted of the following:

<b>Transfers to</b>	Transfers from				Total
	General Fund	Inheritance Fund	Road Fund	Nonmajor Funds	
General Fund	\$ -	\$ 303,603	\$ 5,250	\$ 195,551	\$ 504,404
Inheritance Fund	-	-	-	-	-
Road Fund	328,410	-	-	-	328,410
Nonmajor Funds	360,586	244,009	-	-	604,595
Total	\$ 688,996	\$ 547,612	\$ 5,250	\$ 195,551	\$ 1,437,409

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. Interfund Loans**

Receivable Fund	Payable Fund	Amount
Building Fund	General Fund	\$ 573,535

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 authorizing borrowing up to \$750,000 of funds from the Building Fund. Subsequent resolutions authorized borrowing

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**7. Interfund Loans** (Concluded)

against remaining funds not borrowed. The County's intent, as stated in its authorizing resolution, was that the Building Fund was to be repaid in ten years or sooner if possible. In fiscal year 2007, the County borrowed an additional \$182,058 from the Building Fund and repaid \$50,000 of the outstanding loan balance. At June 30, 2007, the unpaid Building Fund loan balance totaled \$573,535.

**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.

**9. 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, 2007, was \$22,140,000. Saunders County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. These future tax resources as well as proceeds of said facility once operational 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>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ -	\$ 1,009,798	\$ 1,009,798
2009	430,000	1,002,641	1,432,641
2010	445,000	987,809	1,432,809
2011	465,000	971,879	1,436,879
2012	480,000	954,865	1,434,865
2013-2017	2,680,000	4,477,875	7,157,875
2018-2036	17,640,000	9,367,114	27,007,114
Total Payments	<u>\$ 22,140,000</u>	<u>\$ 18,771,981</u>	<u>\$ 40,911,981</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 equipping a new law enforcement facility. The bond payable balance as of June 30, 2007,

SAUNDERS COUNTY

**NOTES TO FINANCIAL STATEMENTS**

(Continued)

**9. Long Term Debt** (Concluded)

was \$12,990,000. Saunders County has the ability to levy taxes as necessary to cover the annual required principal and interest payments over the term of these bonds. Future tax resources will be used to pay off the bonds.

Future Payments:

<b>Year</b>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ -	\$ 524,365	\$ 524,365
2009	-	524,365	524,365
2010	-	524,365	524,365
2011	555,000	514,706	1,069,706
2012	580,000	494,809	1,074,809
2013-2017	3,215,000	2,139,924	5,354,924
2018-2036	8,640,000	2,223,891	10,863,891
Total Payments	<u>\$ 12,990,000</u>	<u>\$ 6,946,425</u>	<u>\$ 19,936,425</u>

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>RECEIPTS</b>				
Taxes	\$ 4,323,176	\$ 4,323,176	\$ 4,404,431	\$ 81,255
Licenses and Permits	254,000	254,000	177,615	(76,385)
Interest	80,000	80,000	172,634	92,634
Intergovernmental	127,700	127,700	297,818	170,118
Charges for Services	567,475	567,475	671,205	103,730
Miscellaneous	50,243	50,243	153,415	103,172
<b>TOTAL RECEIPTS</b>	<b>5,402,594</b>	<b>5,402,594</b>	<b>5,877,118</b>	<b>474,524</b>
<b>DISBURSEMENTS</b>				
General Government:				
County Board	135,926	135,926	133,694	2,232
County Clerk	137,378	137,478	137,466	12
County Treasurer	259,737	259,737	255,283	4,454
Register of Deeds	87,692	87,692	87,570	122
Election Commissioner	95,194	100,144	100,108	36
Building and Zoning	79,962	79,962	76,453	3,509
Board of Equalization	10,000	10,000	8,981	1,019
Clerk of the District Court	78,292	78,717	78,700	17
District Judge	2,700	15,100	15,082	18
Public Defender	145,000	145,000	143,241	1,759
Building and Grounds	122,262	122,262	105,054	17,208
Agricultural Extension Agent	77,191	77,191	75,287	1,904
Miscellaneous	2,093,874	2,093,874	1,873,217	220,657
Public Safety				
County Sheriff	918,235	918,235	914,435	3,800
County Attorney	260,000	260,000	260,000	-
County Jail	905,092	905,092	904,228	864
Emergency Management	18,635	18,635	19,004	(369)
Miscellaneous	93,250	75,375	66,861	8,514
Public Works				
County Surveyor	84,112	84,112	83,650	462
Highway Department	73,932	73,932	73,384	548
Public Health				
Miscellaneous	71,661	71,661	66,884	4,777
Public Assistance				
Veterans' Service Officer	39,286	39,286	39,277	9
Culture and Recreation				
Miscellaneous	26,000	26,000	26,000	-
<b>TOTAL DISBURSEMENTS</b>	<b>5,815,411</b>	<b>5,815,411</b>	<b>5,543,859</b>	<b>271,552</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(412,817)</b>	<b>(412,817)</b>	<b>333,259</b>	<b>746,076</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,313,553	1,313,553	504,404	(809,149)
Transfers Out	(807,333)	(807,333)	(688,996)	118,337
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>506,220</b>	<b>506,220</b>	<b>(184,592)</b>	<b>(690,812)</b>
Net Change in Fund Balance	93,403	93,403	148,667	55,264
<b>FUND BALANCES - BEGINNING</b>	<b>706,597</b>	<b>706,597</b>	<b>706,597</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 800,000</b>	<b>\$ 800,000</b>	<b>\$ 855,264</b>	<b>\$ 55,264</b>

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>ROAD FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 751	\$ 751	\$ 397	\$ (354)
Intergovernmental	1,860,500	1,860,500	2,097,314	236,814
Charges for Services	20,000	20,000	-	(20,000)
Miscellaneous	698,000	698,000	336,787	(361,213)
<b>TOTAL RECEIPTS</b>	<u>2,579,251</u>	<u>2,579,251</u>	<u>2,434,498</u>	<u>(144,753)</u>
<b>DISBURSEMENTS</b>	<u>3,661,870</u>	<u>3,661,870</u>	<u>2,873,224</u>	<u>788,646</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	(1,082,619)	(1,082,619)	(438,726)	643,893
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	249,951	249,951	328,410	78,459
Transfers Out	(5,250)	(5,250)	(5,250)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>244,701</u>	<u>244,701</u>	<u>323,160</u>	<u>78,459</u>
Net Change in Fund Balance	(837,918)	(837,918)	(115,566)	722,352
FUND BALANCE - BEGINNING	1,012,918	1,012,918	1,012,918	-
FUND BALANCE - ENDING	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 897,352</u>	<u>\$ 722,352</u>
<b>INHERITANCE FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 351,252	\$ 351,252	\$ 704,804	\$ 353,552
<b>TOTAL RECEIPTS</b>	<u>351,252</u>	<u>351,252</u>	<u>704,804</u>	<u>353,552</u>
<b>DISBURSEMENTS</b>	<u>185,516</u>	<u>185,516</u>	<u>153,656</u>	<u>31,860</u>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	165,736	165,736	551,148	385,412
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(1,141,729)	(1,141,729)	(547,612)	594,117
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,141,729)</u>	<u>(1,141,729)</u>	<u>(547,612)</u>	<u>594,117</u>
Net Change in Fund Balance	(975,993)	(975,993)	3,536	979,529
FUND BALANCE - BEGINNING	975,993	975,993	975,993	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 979,529</u>	<u>\$ 979,529</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>CONSTRUCTION FUND</b>				
TOTAL RECEIPTS	\$ -	\$ -	\$ -	\$ -
DISBURSEMENTS	17,274,506	17,274,506	13,679,499	3,595,007
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(17,274,506)	(17,274,506)	(13,679,499)	3,595,007
OTHER FINANCING SOURCES (USES)				
Transfers In	300,000	300,000	-	(300,000)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	300,000	300,000	-	(300,000)
Net Change in Fund Balance	(16,974,506)	(16,974,506)	(13,679,499)	3,295,007
FUND BALANCE - BEGINNING	16,974,506	16,974,506	16,974,506	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,295,007</u>	<u>\$ 3,295,007</u>

**LAW ENFORCEMENT CENTER**  
**CONSTRUCTION FUND**

<b>RECEIPTS</b>				
Miscellaneous	\$ -	\$ -	\$ 12,003,450	\$ 12,003,450
TOTAL RECEIPTS	-	-	12,003,450	12,003,450
DISBURSEMENTS	-	12,364,993	1,131,867	11,233,126
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	-	(12,364,993)	10,871,583	23,236,576
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	-	(12,364,993)	10,871,583	23,236,576
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$(12,364,993)</u>	<u>\$ 10,871,583</u>	<u>\$ 23,236,576</u>

(Concluded)

## SAUNDERS COUNTY

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2007

#### 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, 2007, expenditures exceeded budgeted appropriations in the Emergency Management function of the General Fund by \$369 and in the Medical Relief Fund by \$5,048. 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, 2007

	Special Road Fund	Road/Bridge Sinking Fund	Transportation Fund	Unemployment Fund	Medical Relief Fund	Institutions Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ 8,550	\$ 13,906	\$ 6,726
Interest	-	-	-	-	-	-
Intergovernmental	16,703	-	54,769	337	676	642
Charges for Services	-	-	2,554	-	-	-
Miscellaneous	-	-	184	1	2,840	1
<b>TOTAL RECEIPTS</b>	<b>16,703</b>	<b>-</b>	<b>57,507</b>	<b>8,888</b>	<b>17,422</b>	<b>7,369</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	730	-	-
Public Safety	-	-	-	-	-	-
Public Works	243,814	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	69,206	-	45,048	10,587
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>243,814</b>	<b>-</b>	<b>69,206</b>	<b>730</b>	<b>45,048</b>	<b>10,587</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(227,111)</b>	<b>-</b>	<b>(11,699)</b>	<b>8,158</b>	<b>(27,626)</b>	<b>(3,218)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	227,111	61,984	19,811	-	8,537	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>227,111</b>	<b>61,984</b>	<b>19,811</b>	<b>-</b>	<b>8,537</b>	<b>-</b>
Net Change in Fund Balances	-	61,984	8,112	8,158	(19,089)	(3,218)
<b>FUND BALANCES - BEGINNING</b>	<b>-</b>	<b>49,306</b>	<b>3,707</b>	<b>18,906</b>	<b>25,514</b>	<b>13,578</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ -</b>	<b>\$ 111,290</b>	<b>\$ 11,819</b>	<b>\$ 27,064</b>	<b>\$ 6,425</b>	<b>\$ 10,360</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, 2007

	Veterans' Aid Fund	Child Support Agreement - Clerk of the District Court Fund	Child Support Agreement - Attorney Fund	Visitor Promotion Fund	Visitor Improvement Fund	Senior Citizen Services Center Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ 7,613	\$ 7,612	\$ -
Interest	3,359	-	-	-	-	-
Intergovernmental	-	45,786	161,682	-	-	91,441
Charges for Services	-	-	-	-	-	73,353
Miscellaneous	-	-	-	-	-	13,284
<b>TOTAL RECEIPTS</b>	<b>3,359</b>	<b>45,786</b>	<b>161,682</b>	<b>7,613</b>	<b>7,612</b>	<b>178,078</b>
<b>DISBURSEMENTS</b>						
General Government	-	58,107	-	-	-	-
Public Safety	-	-	140,160	-	-	-
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	269,454
Culture and Recreation	-	-	-	7,754	5,403	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>58,107</b>	<b>140,160</b>	<b>7,754</b>	<b>5,403</b>	<b>269,454</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>3,359</b>	<b>(12,321)</b>	<b>21,522</b>	<b>(141)</b>	<b>2,209</b>	<b>(91,376)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	17,357	-	-	-	76,618
Transfers out	-	(3,888)	(9,605)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>13,469</b>	<b>(9,605)</b>	<b>-</b>	<b>-</b>	<b>76,618</b>
Net Change in Fund Balances	3,359	1,148	11,917	(141)	2,209	(14,758)
<b>FUND BALANCES - BEGINNING</b>	<b>87,232</b>	<b>12,183</b>	<b>25,920</b>	<b>2,765</b>	<b>1,524</b>	<b>23,917</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 90,591</b>	<b>\$ 13,331</b>	<b>\$ 37,837</b>	<b>\$ 2,624</b>	<b>\$ 3,733</b>	<b>\$ 9,159</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, 2007

	Diversion Program Fund	Weed Fund	STOP Fund	Drug Fund	Drug Testing Fund	Federal Drug Enforcement Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	451	-	-	-
Intergovernmental	18,774	-	-	-	-	-
Charges for Services	7,102	4,015	18,300	-	-	-
Miscellaneous	-	9,614	-	-	-	2,106
<b>TOTAL RECEIPTS</b>	<b>25,876</b>	<b>13,629</b>	<b>18,751</b>	<b>-</b>	<b>-</b>	<b>2,106</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	-	-	-	-
Public Safety	103,637	-	20,834	1,690	2,689	-
Public Works	-	58,326	-	-	-	-
Health and Sanitation	-	-	-	-	-	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>103,637</b>	<b>58,326</b>	<b>20,834</b>	<b>1,690</b>	<b>2,689</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(77,761)</b>	<b>(44,697)</b>	<b>(2,083)</b>	<b>(1,690)</b>	<b>(2,689)</b>	<b>2,106</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	77,579	44,537	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>77,579</b>	<b>44,537</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(182)	(160)	(2,083)	(1,690)	(2,689)	2,106
<b>FUND BALANCES - BEGINNING</b>	<b>1,256</b>	<b>160</b>	<b>32,418</b>	<b>3,266</b>	<b>14,558</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,074</b>	<b>\$ -</b>	<b>\$ 30,335</b>	<b>\$ 1,576</b>	<b>\$ 11,869</b>	<b>\$ 2,106</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, 2007

	Federal Grant Fund	Federal Grant Emergency Management Fund	Federal Grant CDBG Fund	Correctional Center Commissary Fund	Health Services Bond Fund	Law Enforcement Center Bond Fund
<b>RECEIPTS</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 166,250	\$ 90,441
Interest	8	-	-	-	612,692	207,269
Intergovernmental	-	152,857	58,500	-	7,594	5,713
Charges for Services	-	-	-	-	-	-
Miscellaneous	-	-	-	-	328	761,415
<b>TOTAL RECEIPTS</b>	<b>8</b>	<b>152,857</b>	<b>58,500</b>	<b>-</b>	<b>786,864</b>	<b>1,064,838</b>
<b>DISBURSEMENTS</b>						
General Government	-	-	56,333	-	-	-
Public Safety	-	152,857	-	-	-	700
Public Works	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	1,000	-
Public Assistance	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	1,009,797	237,050
<b>TOTAL DISBURSEMENTS</b>	<b>-</b>	<b>152,857</b>	<b>56,333</b>	<b>-</b>	<b>1,010,797</b>	<b>237,750</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>8</b>	<b>-</b>	<b>2,167</b>	<b>-</b>	<b>(223,933)</b>	<b>827,088</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>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	8	-	2,167	-	(223,933)	827,088
<b>FUND BALANCES - BEGINNING</b>	<b>1,655</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,884,503</b>	<b>-</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,663</b>	<b>\$ -</b>	<b>\$ 2,167</b>	<b>\$ -</b>	<b>\$ 1,660,570</b>	<b>\$ 827,088</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, 2007

	Building Fund	Jail Fund	Flood Control Fund	Youth Camp Fund	E911 Emergency Services Fund	Total Nonmajor Governmental Funds
<b>RECEIPTS</b>						
Property Taxes	\$ 10,881	\$ 7,561	\$ 48,508	\$ -	\$ 83,881	\$ 451,929
Interest	32,391	-	-	10	-	856,180
Intergovernmental	490	345	2,178	-	-	618,487
Charges for Services	2,852	-	-	-	-	108,176
Miscellaneous	33,588	1	7	5,214	18,354	846,937
<b>TOTAL RECEIPTS</b>	<b>80,202</b>	<b>7,907</b>	<b>50,693</b>	<b>5,224</b>	<b>102,235</b>	<b>2,881,709</b>
<b>DISBURSEMENTS</b>						
General Government	142,283	-	-	-	-	257,453
Public Safety	-	28,685	32,813	-	66,429	550,494
Public Works	-	-	-	-	-	302,140
Health and Sanitation	-	-	-	-	-	1,000
Public Assistance	-	-	-	-	-	394,295
Culture and Recreation	-	-	-	4,906	-	18,063
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	1,246,847
<b>TOTAL DISBURSEMENTS</b>	<b>142,283</b>	<b>28,685</b>	<b>32,813</b>	<b>4,906</b>	<b>66,429</b>	<b>2,770,292</b>
<b>EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(62,081)</b>	<b>(20,778)</b>	<b>17,880</b>	<b>318</b>	<b>35,806</b>	<b>111,417</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	50,000	21,061	-	-	-	604,595
Transfers out	(182,058)	-	-	-	-	(195,551)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(132,058)</b>	<b>21,061</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>409,044</b>
Net Change in Fund Balances	(194,139)	283	17,880	318	35,806	520,461
<b>FUND BALANCES - BEGINNING</b>	<b>1,085,097</b>	<b>3,849</b>	<b>252,560</b>	<b>2,498</b>	<b>55,430</b>	<b>3,601,802</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 890,958</b>	<b>\$ 4,132</b>	<b>\$ 270,440</b>	<b>\$ 2,816</b>	<b>\$ 91,236</b>	<b>\$ 4,122,263</b>

(Concluded)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>SPECIAL ROAD FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 75	\$ 75	\$ 16,703	\$ 16,628
<b>TOTAL RECEIPTS</b>	<b>75</b>	<b>75</b>	<b>16,703</b>	<b>16,628</b>
<b>DISBURSEMENTS</b>	<b>338,000</b>	<b>338,000</b>	<b>243,814</b>	<b>94,186</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	337,925	337,925	227,111	(110,814)
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>337,925</b>	<b>337,925</b>	<b>227,111</b>	<b>(110,814)</b>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ROAD/BRIDGE SINKING FUND</b>				
<b>TOTAL RECEIPTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>DISBURSEMENTS</b>	<b>132,307</b>	<b>132,307</b>	<b>-</b>	<b>132,307</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	83,001	83,001	61,984	(21,017)
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>83,001</b>	<b>83,001</b>	<b>61,984</b>	<b>(21,017)</b>
Net Change in Fund Balance	(49,306)	(49,306)	61,984	111,290
FUND BALANCE - BEGINNING	49,306	49,306	49,306	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 111,290</b>	<b>\$ 111,290</b>
<b>TRANSPORTATION FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 47,100	\$ 47,100	\$ 54,769	\$ 7,669
Charges for Services	2,250	2,250	2,554	304
Miscellaneous	500	500	184	(316)
<b>TOTAL RECEIPTS</b>	<b>49,850</b>	<b>49,850</b>	<b>57,507</b>	<b>7,657</b>
<b>DISBURSEMENTS</b>	<b>82,364</b>	<b>82,364</b>	<b>69,206</b>	<b>13,158</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	36,457	36,457	19,811	(16,646)
Transfers Out	(7,650)	(7,650)	-	7,650
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>28,807</b>	<b>28,807</b>	<b>19,811</b>	<b>(8,996)</b>
Net Change in Fund Balance	(3,707)	(3,707)	8,112	11,819
FUND BALANCE - BEGINNING	3,707	3,707	3,707	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,819</b>	<b>\$ 11,819</b>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>UNEMPLOYMENT FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 6,019	\$ 6,019	\$ 8,550	\$ 2,531
Intergovernmental	75	75	337	262
Miscellaneous	-	-	1	1
<b>TOTAL RECEIPTS</b>	<b>6,094</b>	<b>6,094</b>	<b>8,888</b>	<b>2,794</b>
<b>DISBURSEMENTS</b>	<b>25,000</b>	<b>25,000</b>	<b>730</b>	<b>24,270</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	(18,906)	(18,906)	8,158	27,064
FUND BALANCE - BEGINNING	18,906	18,906	18,906	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,064</u>	<u>\$ 27,064</u>
<b>MEDICAL RELIEF FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 14,366	\$ 14,366	\$ 13,906	\$ (460)
Intergovernmental	120	120	676	556
Miscellaneous	-	-	2,840	2,840
<b>TOTAL RECEIPTS</b>	<b>14,486</b>	<b>14,486</b>	<b>17,422</b>	<b>2,936</b>
<b>DISBURSEMENTS</b>	<b>40,000</b>	<b>40,000</b>	<b>45,048</b>	<b>(5,048)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	8,537	8,537
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>8,537</b>	<b>8,537</b>
Net Change in Fund Balance	(25,514)	(25,514)	(19,089)	6,425
FUND BALANCE - BEGINNING	25,514	25,514	25,514	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,425</u>	<u>\$ 6,425</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>INSTITUTIONS FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 6,237	\$ 6,237	\$ 6,726	\$ 489
Intergovernmental	185	185	642	457
Miscellaneous	-	-	1	1
<b>TOTAL RECEIPTS</b>	<b>6,422</b>	<b>6,422</b>	<b>7,369</b>	<b>947</b>
<b>DISBURSEMENTS</b>	<b>25,000</b>	<b>25,000</b>	<b>10,587</b>	<b>14,413</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	5,000	5,000	-	(5,000)
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>	<b>(5,000)</b>
Net Change in Fund Balance	(13,578)	(13,578)	(3,218)	10,360
FUND BALANCE - BEGINNING	13,578	13,578	13,578	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,360</u>	<u>\$ 10,360</u>
<b>VETERANS' AID FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ 1,000	\$ 1,000	\$ 3,359	\$ 2,359
<b>TOTAL RECEIPTS</b>	<b>1,000</b>	<b>1,000</b>	<b>3,359</b>	<b>2,359</b>
<b>DISBURSEMENTS</b>	<b>88,232</b>	<b>88,232</b>	<b>-</b>	<b>88,232</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	(87,232)	(87,232)	3,359	90,591
FUND BALANCE - BEGINNING	87,232	87,232	87,232	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,591</u>	<u>\$ 90,591</u>
<b>CHILD SUPPORT AGREEMENT - CLERK OF THE DISTRICT COURT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 60,000	\$ 60,000	\$ 45,786	\$ (14,214)
<b>TOTAL RECEIPTS</b>	<b>60,000</b>	<b>60,000</b>	<b>45,786</b>	<b>(14,214)</b>
<b>DISBURSEMENTS</b>	<b>68,836</b>	<b>68,836</b>	<b>58,107</b>	<b>10,729</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	6,853	6,853	17,357	10,504
Transfers Out	(10,200)	(10,200)	(3,888)	6,312
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(3,347)</b>	<b>(3,347)</b>	<b>13,469</b>	<b>16,816</b>
Net Change in Fund Balance	(12,183)	(12,183)	1,148	13,331
FUND BALANCE - BEGINNING	12,183	12,183	12,183	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,331</u>	<u>\$ 13,331</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>CHILD SUPPORT AGREEMENT - ATTORNEY FUND</u></b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 155,849	\$ 155,849	\$ 161,682	\$ 5,833
Miscellaneous	100	100	-	(100)
<b>TOTAL RECEIPTS</b>	<b>155,949</b>	<b>155,949</b>	<b>161,682</b>	<b>5,733</b>
<b>DISBURSEMENTS</b>	<b>169,869</b>	<b>169,869</b>	<b>140,160</b>	<b>29,709</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(12,000)	(12,000)	(9,605)	2,395
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(12,000)</b>	<b>(12,000)</b>	<b>(9,605)</b>	<b>2,395</b>
Net Change in Fund Balance	(25,920)	(25,920)	11,917	37,837
FUND BALANCE - BEGINNING	25,920	25,920	25,920	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,837</u>	<u>\$ 37,837</u>

<b><u>VISITOR PROMOTION FUND</u></b>				
<b>RECEIPTS</b>				
Taxes	\$ 6,501	\$ 6,501	\$ 7,613	\$ 1,112
<b>TOTAL RECEIPTS</b>	<b>6,501</b>	<b>6,501</b>	<b>7,613</b>	<b>1,112</b>
<b>DISBURSEMENTS</b>	<b>9,266</b>	<b>9,266</b>	<b>7,754</b>	<b>1,512</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	(2,765)	(2,765)	(141)	2,624
FUND BALANCE - BEGINNING	2,765	2,765	2,765	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,624</u>	<u>\$ 2,624</u>

<b><u>VISITOR IMPROVEMENT FUND</u></b>				
<b>RECEIPTS</b>				
Taxes	\$ 6,501	\$ 6,501	\$ 7,612	\$ 1,111
<b>TOTAL RECEIPTS</b>	<b>6,501</b>	<b>6,501</b>	<b>7,612</b>	<b>1,111</b>
<b>DISBURSEMENTS</b>	<b>8,025</b>	<b>8,025</b>	<b>5,403</b>	<b>2,622</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	(1,524)	(1,524)	2,209	3,733
FUND BALANCE - BEGINNING	1,524	1,524	1,524	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,733</u>	<u>\$ 3,733</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>SENIOR CITIZEN SERVICES CENTER FUND</u></b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 84,630	\$ 84,630	\$ 91,441	\$ 6,811
Charges for Services	76,967	76,967	73,353	(3,614)
Miscellaneous	10,000	10,000	13,284	3,284
<b>TOTAL RECEIPTS</b>	<b>171,597</b>	<b>171,597</b>	<b>178,078</b>	<b>6,481</b>
<b>DISBURSEMENTS</b>	<b>271,178</b>	<b>271,178</b>	<b>269,454</b>	<b>1,724</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	75,664	75,664	76,618	954
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>75,664</b>	<b>75,664</b>	<b>76,618</b>	<b>954</b>
Net Change in Fund Balance	(23,917)	(23,917)	(14,758)	9,159
FUND BALANCE - BEGINNING	23,917	23,917	23,917	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,159</u>	<u>\$ 9,159</u>
<b><u>DIVERSION PROGRAM FUND</u></b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 21,000	\$ 21,000	\$ 18,774	\$ (2,226)
Charges for Services	9,000	9,000	7,102	(1,898)
Miscellaneous	2,500	2,500	-	(2,500)
<b>TOTAL RECEIPTS</b>	<b>32,500</b>	<b>32,500</b>	<b>25,876</b>	<b>(6,624)</b>
<b>DISBURSEMENTS</b>	<b>107,924</b>	<b>107,924</b>	<b>103,637</b>	<b>4,287</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	74,168	74,168	77,579	3,411
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>74,168</b>	<b>74,168</b>	<b>77,579</b>	<b>3,411</b>
Net Change in Fund Balance	(1,256)	(1,256)	(182)	1,074
FUND BALANCE - BEGINNING	1,256	1,256	1,256	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,074</u>	<u>\$ 1,074</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>WEED FUND</b>				
<b>RECEIPTS</b>				
Charges for Services	\$ 7,500	\$ 7,500	\$ 4,015	\$ (3,485)
Miscellaneous	-	-	9,614	9,614
<b>TOTAL RECEIPTS</b>	<b>7,500</b>	<b>7,500</b>	<b>13,629</b>	<b>6,129</b>
<b>DISBURSEMENTS</b>	<b>61,034</b>	<b>61,034</b>	<b>58,326</b>	<b>2,708</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	53,374	53,374	44,537	(8,837)
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>53,374</b>	<b>53,374</b>	<b>44,537</b>	<b>(8,837)</b>
Net Change in Fund Balance	(160)	(160)	(160)	-
FUND BALANCE - BEGINNING	160	160	160	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>STOP FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ 200	\$ 200	\$ 451	\$ 251
Charges for Services	-	-	18,300	18,300
Miscellaneous	20,000	20,000	-	(20,000)
<b>TOTAL RECEIPTS</b>	<b>20,200</b>	<b>20,200</b>	<b>18,751</b>	<b>(1,449)</b>
<b>DISBURSEMENTS</b>	<b>52,618</b>	<b>52,618</b>	<b>20,834</b>	<b>31,784</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	(32,418)	(32,418)	(2,083)	30,335
FUND BALANCE - BEGINNING	32,418	32,418	32,418	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,335</u>	<u>\$ 30,335</u>
<b>DRUG FUND</b>				
<b>RECEIPTS</b>				
Miscellaneous	\$ 17,234	\$ 17,234	\$ -	\$ (17,234)
<b>TOTAL RECEIPTS</b>	<b>17,234</b>	<b>17,234</b>	<b>-</b>	<b>(17,234)</b>
<b>DISBURSEMENTS</b>	<b>20,500</b>	<b>20,500</b>	<b>1,690</b>	<b>18,810</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	(3,266)	(3,266)	(1,690)	1,576
FUND BALANCE - BEGINNING	3,266	3,266	3,266	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,576</u>	<u>\$ 1,576</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DRUG TESTING FUND</b>				
<b>RECEIPTS</b>				
Charges for Services	\$ 1,201	\$ 1,201	\$ -	\$ (1,201)
<b>TOTAL RECEIPTS</b>	<b>1,201</b>	<b>1,201</b>	<b>-</b>	<b>(1,201)</b>
<b>DISBURSEMENTS</b>	<b>15,759</b>	<b>15,759</b>	<b>2,689</b>	<b>13,070</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	(14,558)	(14,558)	(2,689)	11,869
FUND BALANCE - BEGINNING	14,558	14,558	14,558	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,869</u>	<u>\$ 11,869</u>

<b>FEDERAL DRUG ENFORCEMENT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Miscellaneous	7,500	7,500	2,106	(5,394)
<b>TOTAL RECEIPTS</b>	<b>12,500</b>	<b>12,500</b>	<b>2,106</b>	<b>(10,394)</b>
<b>DISBURSEMENTS</b>	<b>12,500</b>	<b>12,500</b>	<b>-</b>	<b>12,500</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	-	-	2,106	2,106
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,106</u>	<u>\$ 2,106</u>

<b>FEDERAL GRANT FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ -	\$ -	\$ 8	\$ 8
Intergovernmental	238,345	238,345	-	(238,345)
<b>TOTAL RECEIPTS</b>	<b>238,345</b>	<b>238,345</b>	<b>8</b>	<b>(238,337)</b>
<b>DISBURSEMENTS</b>	<b>230,000</b>	<b>230,000</b>	<b>-</b>	<b>230,000</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(10,000)	(10,000)	-	10,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>-</b>	<b>10,000</b>
Net Change in Fund Balance	(1,655)	(1,655)	8	1,663
FUND BALANCE - BEGINNING	1,655	1,655	1,655	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,663</u>	<u>\$ 1,663</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>FEDERAL GRANT EMERGENCY MANAGEMENT FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 152,857	\$ (47,143)
<b>TOTAL RECEIPTS</b>	<b>200,000</b>	<b>200,000</b>	<b>152,857</b>	<b>(47,143)</b>
<b>DISBURSEMENTS</b>	<b>200,000</b>	<b>200,000</b>	<b>152,857</b>	<b>47,143</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	50,000	50,000	-	(50,000)
Transfers Out	(50,000)	(50,000)	-	50,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FEDERAL GRANT CDBG FUND</b>				
<b>RECEIPTS</b>				
Intergovernmental	\$ -	\$ -	\$ 58,500	\$ 58,500
Miscellaneous	325,000	325,000	-	(325,000)
<b>TOTAL RECEIPTS</b>	<b>325,000</b>	<b>325,000</b>	<b>58,500</b>	<b>(266,500)</b>
<b>DISBURSEMENTS</b>	<b>325,000</b>	<b>325,000</b>	<b>56,333</b>	<b>268,667</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	-	-	2,167	2,167
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,167</b>	<b>\$ 2,167</b>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HEALTH SERVICES BOND FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 175,973	\$ 175,973	\$ 166,250	\$ (9,723)
Interest	300,200	300,200	612,692	312,492
Intergovernmental	1,100	1,100	7,594	6,494
Miscellaneous	-	-	328	328
<b>TOTAL RECEIPTS</b>	<b>477,273</b>	<b>477,273</b>	<b>786,864</b>	<b>309,591</b>
<b>DISBURSEMENTS</b>	<b>2,061,776</b>	<b>2,061,776</b>	<b>1,010,797</b>	<b>1,050,979</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(300,000)	(300,000)	-	300,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(300,000)</b>	<b>(300,000)</b>	<b>-</b>	<b>300,000</b>
Net Change in Fund Balance	(1,884,503)	(1,884,503)	(223,933)	1,660,570
FUND BALANCE - BEGINNING	1,884,503	1,884,503	1,884,503	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,660,570</b>	<b>\$ 1,660,570</b>
<b>LAW ENFORCEMENT CENTER BOND FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 165,000	\$ 165,000	\$ 90,441	\$ (74,559)
Interest	-	-	207,269	207,269
Intergovernmental	-	-	5,713	5,713
Miscellaneous	625,357	625,357	761,415	136,058
<b>TOTAL RECEIPTS</b>	<b>790,357</b>	<b>790,357</b>	<b>1,064,838</b>	<b>274,481</b>
<b>DISBURSEMENTS</b>	<b>790,357</b>	<b>790,357</b>	<b>237,750</b>	<b>552,607</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	-	-	827,088	827,088
FUND BALANCE - BEGINNING	-	-	-	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 827,088</b>	<b>\$ 827,088</b>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>BUILDING FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 10,020	\$ 10,020	\$ 10,881	\$ 861
Interest	25,000	25,000	32,391	7,391
Intergovernmental	90	90	490	400
Charges for Services	12,000	12,000	2,852	(9,148)
Miscellaneous	2,000	2,000	33,588	31,588
<b>TOTAL RECEIPTS</b>	<u>49,110</u>	<u>49,110</u>	<u>80,202</u>	<u>31,092</u>
<b>DISBURSEMENTS</b>	<u>875,684</u>	<u>875,684</u>	<u>142,283</u>	<u>733,401</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	50,000	50,000	50,000	-
Transfers Out	(308,523)	(308,523)	(182,058)	126,465
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(258,523)</u>	<u>(258,523)</u>	<u>(132,058)</u>	<u>126,465</u>
Net Change in Fund Balance	(1,085,097)	(1,085,097)	(194,139)	890,958
FUND BALANCE - BEGINNING	1,085,097	1,085,097	1,085,097	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 890,958</u>	<u>\$ 890,958</u>

<b>JAIL FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 8,019	\$ 8,019	\$ 7,561	\$ (458)
Intergovernmental	79	79	345	266
Miscellaneous	12,364,993	12,364,993	1	(12,364,992)
<b>TOTAL RECEIPTS</b>	<u>12,373,091</u>	<u>12,373,091</u>	<u>7,907</u>	<u>(12,365,184)</u>
<b>DISBURSEMENTS</b>	<u>12,393,679</u>	<u>28,686</u>	<u>28,685</u>	<u>1</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	16,739	16,739	21,061	4,322
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>16,739</u>	<u>16,739</u>	<u>21,061</u>	<u>4,322</u>
Net Change in Fund Balance	(3,849)	12,361,144	283	(12,360,861)
FUND BALANCE - BEGINNING	3,849	3,849	3,849	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ 12,364,993</u>	<u>\$ 4,132</u>	<u>\$ (12,360,861)</u>

(Continued)

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

For the Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>FLOOD CONTROL FUND</b>				
<b>RECEIPTS</b>				
Taxes	\$ 45,300	\$ 45,300	\$ 48,508	\$ 3,208
Intergovernmental	600	600	2,178	1,578
Miscellaneous	-	-	7	7
<b>TOTAL RECEIPTS</b>	<b>45,900</b>	<b>45,900</b>	<b>50,693</b>	<b>4,793</b>
<b>DISBURSEMENTS</b>	<b>298,460</b>	<b>298,460</b>	<b>32,813</b>	<b>265,647</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	(252,560)	(252,560)	17,880	270,440
FUND BALANCE - BEGINNING	252,560	252,560	252,560	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 270,440</b>	<b>\$ 270,440</b>
<b>YOUTH CAMP FUND</b>				
<b>RECEIPTS</b>				
Interest	\$ 15	\$ 15	\$ 10	\$ (5)
Miscellaneous	4,315	4,315	5,214	899
<b>TOTAL RECEIPTS</b>	<b>4,330</b>	<b>4,330</b>	<b>5,224</b>	<b>894</b>
<b>DISBURSEMENTS</b>	<b>6,828</b>	<b>6,828</b>	<b>4,906</b>	<b>1,922</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	(2,498)	(2,498)	318	2,816
FUND BALANCE - BEGINNING	2,498	2,498	2,498	-
FUND BALANCE - ENDING	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,816</b>	<b>\$ 2,816</b>

(Continued)

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

For the Year Ended June 30, 2007

	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	\$ 83,881	\$ 8,881
Miscellaneous	501	501	18,354	17,853
TOTAL RECEIPTS	<u>75,501</u>	<u>75,501</u>	<u>102,235</u>	<u>26,734</u>
<b>DISBURSEMENTS</b>	<u>130,931</u>	<u>130,931</u>	<u>66,429</u>	<u>64,502</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(55,430)	(55,430)	35,806	91,236
FUND BALANCE - BEGINNING	<u>55,430</u>	<u>55,430</u>	<u>55,430</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,236</u>	<u>\$ 91,236</u>

(Concluded)

**SAUNDERS COUNTY**  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2007

	County Clerk	Register of Deeds	Clerk of the District Court	County Sheriff	County Attorney	Weed Superintendent	Highway Superintendent
BALANCE JULY 1, 2006	\$ 22,201	\$ 29,733	\$ 158,372	\$ 8,014	\$ 4,027	\$ -	\$ 100
<b>RECEIPTS</b>							
Property Taxes	6,258	-	-	21,730	-	-	-
Licenses and Permits	6,590	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	135,720
Charges for Services	31,349	149,184	32,594	62,216	-	13,629	-
Miscellaneous	11,538	-	-	-	-	-	336,890
State Fees	62,523	169,805	25,734	-	-	-	-
Other Liabilities	-	-	292,875	31,662	107,779	-	-
<b>TOTAL RECEIPTS</b>	<b>118,258</b>	<b>318,989</b>	<b>351,203</b>	<b>115,608</b>	<b>107,779</b>	<b>13,629</b>	<b>472,610</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	55,682	151,070	29,632	82,417	20	13,629	472,610
Payments to State Treasurer	63,364	172,225	25,440	-	-	-	-
Other Liabilities	-	-	317,137	31,662	102,371	-	-
<b>TOTAL DISBURSEMENTS</b>	<b>119,046</b>	<b>323,295</b>	<b>372,209</b>	<b>114,079</b>	<b>102,391</b>	<b>13,629</b>	<b>472,610</b>
 BALANCE JUNE 30, 2007	 \$ 21,413	 \$ 25,427	 \$ 137,366	 \$ 9,543	 \$ 9,415	 \$ -	 \$ 100
<b>BALANCE CONSISTS OF:</b>							
Due to County Treasurer	\$ 3,726	\$ 11,622	\$ 5,099	\$ 5,243	\$ -	\$ -	\$ -
Petty Cash	12,200	500	100	4,300	200	-	100
Due to State Treasurer	5,487	13,305	2,160	-	-	-	-
Due to Others	-	-	130,007	-	9,215	-	-
BALANCE JUNE 30, 2007	\$ 21,413	\$ 25,427	\$ 137,366	\$ 9,543	\$ 9,415	\$ -	\$ 100

(Continued)

SAUNDERS COUNTY  
**SCHEDULE OF OFFICE ACTIVITIES**  
For the Year Ended June 30, 2007

	Veterans' Service Officer	County Surveyor	County Planning and Zoning	County Transportation	County Senior Services	County Youth Services	Total
BALANCE JULY 1, 2006	\$ 7,489	\$ -	\$ 100	\$ 56	\$ 314	\$ 535	\$ 230,941
<b>RECEIPTS</b>							
Property Taxes	-	-	-	-	-	-	27,988
Licenses and Permits	-	-	100,543	-	-	-	107,133
Intergovernmental	-	-	-	54,617	91,442	18,774	300,553
Charges for Services	-	3,703	-	2,659	73,309	7,101	375,744
Miscellaneous	18	-	-	184	13,644	5,618	367,892
State Fees	-	-	-	-	-	-	258,062
Other Liabilities	-	-	-	-	-	-	432,316
<b>TOTAL RECEIPTS</b>	<b>18</b>	<b>3,703</b>	<b>100,543</b>	<b>57,460</b>	<b>178,395</b>	<b>31,493</b>	<b>1,869,688</b>
<b>DISBURSEMENTS</b>							
Payments to County Treasurer	-	3,703	100,543	57,499	178,078	31,090	1,175,973
Payments to State Treasurer	-	-	-	-	-	-	261,029
Other Liabilities	400	-	-	-	120	838	452,528
<b>TOTAL DISBURSEMENTS</b>	<b>400</b>	<b>3,703</b>	<b>100,543</b>	<b>57,499</b>	<b>178,198</b>	<b>31,928</b>	<b>1,889,530</b>
BALANCE JUNE 30, 2007	\$ 7,107	\$ -	\$ 100	\$ 17	\$ 511	\$ 100	\$ 211,099
<b>BALANCE CONSISTS OF:</b>							
Due to County Treasurer	\$ 7,107	\$ -	\$ -	\$ 17	\$ 481	\$ -	\$ 33,295
Petty Cash	-	-	100	-	30	100	17,630
Due to State Treasurer	-	-	-	-	-	-	20,952
Due to Others	-	-	-	-	-	-	139,222
BALANCE JUNE 30, 2007	\$ 7,107	\$ -	\$ 100	\$ 17	\$ 511	\$ 100	\$ 211,099

(Concluded)

SAUNDERS COUNTY  
**SCHEDULE OF TAXES CERTIFIED AND COLLECTED FOR ALL  
POLITICAL SUBDIVISIONS IN THE COUNTY**  
June 30, 2007

Item	2002	2003	2004	2005	2006
Tax Certified by Assessor					
Real Estate	\$ 21,792,924	\$ 23,345,155	\$ 24,803,834	\$ 25,849,052	\$ 28,546,112
Personal and Specials	1,425,809	1,453,006	1,524,049	1,478,487	1,563,216
Total	<u>23,218,733</u>	<u>24,798,161</u>	<u>26,327,883</u>	<u>27,327,539</u>	<u>30,109,328</u>
Corrections					
Additions	38,576	30,819	22,862	22,974	10,083
Deductions	<u>(32,899)</u>	<u>(53,111)</u>	<u>(17,814)</u>	<u>(16,474)</u>	<u>(7,123)</u>
Net Additions/ (Deductions)	<u>5,677</u>	<u>(22,292)</u>	<u>5,048</u>	<u>6,500</u>	<u>2,960</u>
Corrected Certified Tax	<u>23,224,410</u>	<u>24,775,869</u>	<u>26,332,931</u>	<u>27,334,039</u>	<u>30,112,288</u>
Net Tax Collected by County Treasurer During Fiscal Year Ending:					
June 30, 2003	12,948,417	-	-	-	-
June 30, 2004	10,188,774	13,778,715	-	-	-
June 30, 2005	71,507	10,929,183	14,772,552	-	-
June 30, 2006	4,918	55,049	11,526,908	15,261,310	-
June 30, 2007	<u>2,065</u>	<u>6,628</u>	<u>25,290</u>	<u>12,053,080</u>	<u>16,967,357</u>
Total Net Collections	<u>23,215,681</u>	<u>24,769,575</u>	<u>26,324,750</u>	<u>27,314,390</u>	<u>16,967,357</u>
Total Uncollected Tax	<u>\$ 8,729</u>	<u>\$ 6,294</u>	<u>\$ 8,181</u>	<u>\$ 19,649</u>	<u>\$ 13,144,931</u>
Percentage Uncollected Tax	<u>0.04%</u>	<u>0.03%</u>	<u>0.03%</u>	<u>0.07%</u>	<u>43.65%</u>



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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State Auditor

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

Board of Supervisors  
Saunders County, Nebraska

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saunders County as of and for the year ended June 30, 2007, and have issued our report thereon dated December 18, 2007. 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 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 the Saunders County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting

principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiency to be a significant deficiency in internal control over financial reporting:

- 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 significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the significant deficiency described above 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 noted certain matters that we reported to management of Saunders County in a separate letter dated December 18, 2007.

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.



Assistant Deputy Auditor

December 18, 2007