

**GEARY COUNTY
PUBLIC BUILDING COMMISSION**

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

GEARY COUNTY PUBLIC BUILDING COMMISSION

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INDEPENDENT AUDITORS' REPORT

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We have audited the accompanying financial statements of Geary County Public Building Commission, a component unit of Geary County, Kansas, as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of Geary County Public Building Commission's management. Our responsibility is to express an opinion 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 *Kansas Municipal Audit Guide*. Those standards and guidance 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 that our audit provides a reasonable basis for our opinion.

As described more fully in Note A, Geary County Public Building Commission has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Geary County Public Building Commission, as of December 31, 2008, or the changes in its financial position for the year then ended.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of each fund of Geary County Public Building Commission, as of December 31, 2008, and their respective cash receipts and expenditures on the basis of accounting described in Note A.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The information identified in the table of contents as supplementary information is presented by the Commission for purposes of additional analysis and is not a required part of the financial statements of Geary County Public Building Commission. We did not audit and do not express an opinion on such information.

Pottberg, Gassman & Hoffman, Chartered
December 30, 2009

MEMBERS:

American Institute of
Certified Public Accountants

Kansas Society of Certified
Public Accountants



GEARY COUNTY PUBLIC BUILDING COMMISSION

SUMMARY OF CASH RECEIPTS, DISBURSEMENTS, AND UNENCUMBERED CASH
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Funds</u>	<u>Beginning</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>Cash</u> <u>Receipts</u>	<u>Expenditures</u>	<u>Ending</u> <u>Unencumbered</u> <u>Cash Balance</u>	<u>Add:</u> <u>Outstanding</u> <u>Encumbrances</u> <u>and A/P</u>	<u>Ending</u> <u>Cash</u> <u>Balance</u>
Capital Project Funds:						
Detention Center Expansion	\$ 2,106,408	31,990	1,947,782	190,616	123,274	313,890
Hospital Project (Revenue Bond)	752,195	9,707	708,527	53,375	28,636	82,011
Enterprise Funds:						
Pennell - Courthouse Building	652,406	448,151	359,439	741,118	1,914	743,032
C.C.C.C. Campus	47	10	57	-	-	-
Geary County Office Building	93,535	109,757	110,200	93,092	1,914	95,006
Hospital Project (Revenue Bond)	2,908	245,645	209,365	39,188	-	39,188
Detention Center Expansion	-	745,000	379,953	365,047	-	365,047
Total Reporting Entity	\$ 3,607,499	1,590,260	3,715,323	1,482,436	155,738	1,638,174
Composition of Cash:						
Checking Accounts - Central National Bank						\$ 1,638,144
Municipal Investment Pool						30
Total Cash						\$ 1,638,174

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

GEARY COUNTY PUBLIC BUILDING COMMISSION

CAPITAL PROJECT
STATEMENTS OF CASH RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>
<u>DETENTION CENTER EXPANSION</u>		
Receipts:		
Interest	\$ 165,034	31,965
Miscellaneous	-	25
Total Receipts	<u>165,034</u>	<u>31,990</u>
Expenditures:		
Construction	2,075,980	1,944,173
Bank Charges	20	45
Office Supplies	28	-
Legal & Professional Fees	1,367	3,564
Transfer to Enterprise Fund	358,878	-
Total Expenditures	<u>2,436,273</u>	<u>1,947,782</u>
Receipts Over (Under) Expenditures	(2,271,239)	(1,915,792)
Unencumbered Cash, January 1	4,377,647	2,106,408
Unencumbered Cash, December 31	<u>\$ 2,106,408</u>	<u>190,616</u>
<u>HOSPITAL PROJECT (Revenue Bond)</u>		
Receipts:		
Interest	\$ 102,691	9,682
Miscellaneous	-	25
Total Receipts	<u>102,691</u>	<u>9,707</u>
Expenditures:		
Construction	1,519,761	682,201
Bank Charges	20	115
Office Supplies	-	28
Legal & Professional Fees	1,367	3,214
Transfer to Enterprise Fund	-	22,969
Total Expenditures	<u>1,521,148</u>	<u>708,527</u>
Receipts Over (Under) Expenditures	(1,418,457)	(698,820)
Unencumbered Cash, January 1	2,170,652	752,195
Unencumbered Cash, December 31	<u>\$ 752,195</u>	<u>53,375</u>

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

GEARY COUNTY PUBLIC BUILDING COMMISSION

ENTERPRISE FUNDS

STATEMENTS OF CASH RECEIPTS AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>
<u>PENNELL-COURTHOUSE BUILDING</u>		
Receipts:		
Rent	\$ 438,400	438,400
Interest	12,856	9,751
Total Receipts	<u>451,256</u>	<u>448,151</u>
Expenditures:		
Bond Principal	255,000	260,000
Bond Interest	103,709	97,524
Bond Handling Fee	1	1
Legal & Professional Fees	1,367	1,914
Bank Charges	3	-
Total Expenditures	<u>360,080</u>	<u>359,439</u>
Receipts Over (Under) Expenditures	91,176	88,712
Unencumbered Cash, January 1	561,230	652,406
Unencumbered Cash, December 31	<u>\$ 652,406</u>	<u>741,118</u>
 <u>C.C.C.C. CAMPUS</u>		
Receipts:		
Taxes (Geary County levy)	\$ 141,000	-
Rent	17,981	-
Interest	1,860	-
Miscellaneous	-	10
Total Receipts	<u>160,841</u>	<u>10</u>
Expenditures:		
Bond Principal	195,000	-
Bond Interest	5,265	-
Bond Handling Fee	2	-
Bank Charges	10	-
Legal & Professional Fees	3,281	-
Transfer to Geary County, Kansas	37,918	57
Total Expenditures	<u>241,476</u>	<u>57</u>
Receipts Over (Under) Expenditures	(80,635)	(47)
Unencumbered Cash, January 1	80,682	47
Unencumbered Cash, December 31	<u>\$ 47</u>	<u>-</u>

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

GEARY COUNTY PUBLIC BUILDING COMMISSION

ENTERPRISE FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>
<u>GEARY COUNTY OFFICE BUILDING</u>		
Receipts:		
Rent	\$ 108,000	109,000
Interest	1,069	757
Total Receipts	<u>109,069</u>	<u>109,757</u>
Expenditures:		
Bond Principal	70,000	70,000
Bond Interest	40,880	38,255
Bond Handling Fee	1	1
Bank Charges	40	30
Office Supplies	23	-
Legal & Professional Fees	1,367	1,914
Total Expenditures	<u>112,311</u>	<u>110,200</u>
Receipts Over (Under) Expenditures	(3,242)	(443)
Unencumbered Cash, January 1	96,777	93,535
Unencumbered Cash, December 31	<u>\$ 93,535</u>	<u>93,092</u>
 <u>HOSPITAL PROJECT (Revenue Bond)</u>		
Receipts:		
Bond Payment Reimbursement	\$ 226,812	209,365
Interest	-	13,311
Transfer from Capital Project Fund	-	22,969
Total Receipts	<u>226,812</u>	<u>245,645</u>
Expenditures:		
Bond Interest	<u>226,812</u>	<u>209,365</u>
Receipts Over (Under) Expenditures	-	36,280
Unencumbered Cash, January 1	2,908	2,908
Unencumbered Cash, December 31	<u>\$ 2,908</u>	<u>39,188</u>

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

GEARY COUNTY PUBLIC BUILDING COMMISSION

ENTERPRISE FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2008

(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2007)

	<u>2007</u>	<u>2008</u>
<u>DETENTION CENTER EXPANSION</u>		
Receipts:		
Transfer from Capital Project	\$ 358,878	-
Rent - 2007	-	360,000
Rent - 2008	-	385,000
Total Receipts	<u>358,878</u>	<u>745,000</u>
Expenditures:		
Bond Principal	120,000	180,000
Bond Interest	238,878	199,953
Total Expenditures	<u>358,878</u>	<u>379,953</u>
Receipts Over (Under) Expenditures	-	365,047
Unencumbered Cash, January 1	-	-
Unencumbered Cash, December 31	<u>\$ -</u>	<u>365,047</u>

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

GEARY COUNTY PUBLIC BUILDING COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008

Note A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows:

1. Reporting Entity

The Geary County Public Building Commission (Commission) is a component unit of Geary County, Kansas. The entity is a commission of individuals appointed by the Geary County Commissioners for the purpose of acquiring buildings for the use by governmental offices and hospitals. The Commission rents the buildings and oversees the operation of the buildings. It has the authority to borrow money and issue bonds to provide the funds to acquire these buildings.

2. Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations.

The Commission uses capital project funds to account for the construction of the facilities. Enterprise funds are used to account for operations since its activities are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenditures) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of cash receipts, expenditures and/or receipts over expenditures is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

3. Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

The Commission has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the Commission to use the statutory basis of accounting.

4. Departure from Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, expenditures, and cash and unencumbered cash balances. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received

GEARY COUNTY PUBLIC BUILDING COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

Note A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings and equipment owned by the Commission are not presented in the financial statements.

5. Budgetary Information

The Commission is not required by Kansas statute to prepare an annual budget since it does not levy property taxes.

Note B - DEPOSITS AND INVESTMENTS

As of December 31, 2008, the Commission had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		<u>Rating</u>
		<u>Less than 1</u>	<u>1 – 2</u>	
Kansas Municipal Investment Pool:				
Hospital Project (Revenue Bond)	\$ 4	\$ 4	-	S&P AAf/S1+
Detention Center	<u>26</u>	<u>26</u>	-	S&P AAf/S1+
 Total Fair Value	 <u>\$ 30</u>	 <u>\$ 30</u>		

K.S.A. 9-1401 establishes the depositories which may be used by the Commission. The statute requires banks eligible to hold the Commission's funds have a main or branch bank in the county in which the Government is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Commission has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Commission's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Commission has no investment policy that would further limit its investment choices. The rating of the Commission's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the Commission may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. All of the Commission's investments at December 31, 2008 are in the Kansas Municipal Investment Pool.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. State statutes require the Commission's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Commission has no designated "peak periods". All deposits were legally secured at December 31, 2008.

At December 31, 2008, the Commission's carrying amount of deposits was \$1,638,144 and the bank balance was \$1,644,282. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,394,282 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

GEARY COUNTY PUBLIC BUILDING COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

Note B - DEPOSITS AND INVESTMENTS (Continued)

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

At December 31, 2008, the Commission had invested \$30 in the State’s municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Note C - CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project Authorization</u>	Cash Disbursements and Accounts Payable <u>To Date</u>
Detention Center Expansion	\$ 5,323,036	\$ 5,132,420
Hospital Project (Revenue Bond)	5,075,422	5,022,047

Note D - RELATED PARTY TRANSACTIONS

As described in Note A, the Geary County Public Commission is a component unit of Geary County, Kansas. Geary County, Kansas rents facilities built by the Commission for an amount sufficient to cover the debt service payments made by the Commission. The rent is not calculated as an arm’s-length transaction. The lease agreements also require the lessee to purchase insurance to cover the risk of loss of the facilities.

The Commission obtained revenue bonds for the renovation of the Geary Community Hospital (Hospital). The Hospital requests the bond funds by submitting to the Commission the invoices that it needs to pay. Upon approval, the Commission remits the requested dollars to the Hospital who subsequently pays the vendors. The Hospital is required to provide the Commission with the dollars needed for the bond payments in advance of the payment due dates.

NOTE E - INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Hospital Project (Capital Project Fund)	Hospital Project (Enterprise Fund)	Per bond agreement	\$ 22,969

GEARY COUNTY PUBLIC BUILDING COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

Note F - LONG-TERM DEBT

Changes in long-term liabilities for the Commission for the year ended December 31, 2008, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Bonds:										
Series 2002 B, Geary Co Office	1.75 - 4.90%	1/29/2002	1,200,000	2/1/2017	\$ 885,000	-	70,000	(70,000)	815,000	38,255
Series 2003 A, Refunding Revenue	1.25 - 4.25%	1/15/2003	3,775,000	3/1/2017	2,795,000	-	260,000	(260,000)	2,535,000	97,524
Revenue Bonds:										
Series 2006 B, Geary Comm Hospital	4.20 - 4.35%	7/1/2006	4,925,000	8/1/2031	4,925,000	-	-	-	4,925,000	209,365
Series 2006, Jail & Corrections	4.00 - 4.30%	6/1/2006	5,000,000	8/1/2026	4,880,000	-	180,000	(180,000)	4,700,000	199,953
Total long-term debt					<u>\$ 13,485,000</u>	<u>-</u>	<u>510,000</u>	<u>(510,000)</u>	<u>12,975,000</u>	<u>545,097</u>

GEARY COUNTY PUBLIC BUILDING COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

Note F - LONG-TERM DEBT (Continued)

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014-2018</u>	<u>2019-2023</u>	<u>2024-2028</u>	<u>2029-2031</u>	<u>Total</u>
	Year									
PRINCIPAL										
General Obligation Bonds:										
Series 2002 B, Geary Co Office	\$ 75,000	75,000	80,000	85,000	90,000	410,000	-	-	-	815,000
Series 2003 A, Refunding Revenue	260,000	270,000	285,000	285,000	300,000	1,135,000	-	-	-	2,535,000
Revenue Bonds:										
Series 2006 B, Geary Comm Hospital	-	-	-	-	-	935,000	1,260,000	1,585,000	1,145,000	4,925,000
Series 2006, Jail & Corrections	185,000	190,000	195,000	205,000	210,000	1,200,000	1,465,000	1,050,000	-	4,700,000
Total Principal	520,000	535,000	560,000	575,000	600,000	3,680,000	2,725,000	2,635,000	1,145,000	12,975,000
INTEREST										
General Obligation Bonds:										
Series 2002 B, Geary Co Office	35,389	32,295	29,000	25,410	21,515	40,215	-	-	-	183,824
Series 2003 A, Refunding Revenue	90,244	81,956	72,653	62,571	51,780	84,658	-	-	-	443,862
Revenue Bonds:										
Series 2006 B, Geary Comm Hospital	209,365	209,365	209,365	209,365	209,365	978,685	752,448	460,383	101,137	3,339,478
Series 2006, Jail & Corrections	192,753	185,352	177,753	169,953	161,753	674,638	410,185	91,087	-	2,063,474
Total Interest	527,751	508,968	488,771	467,299	444,413	1,778,196	1,162,633	551,470	101,137	6,030,638
Total Principal & Interest	\$ 1,047,751	1,043,968	1,048,771	1,042,299	1,044,413	5,458,196	3,887,633	3,186,470	1,246,137	19,005,638

GEARY COUNTY PUBLIC BUILDING COMMISSION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

Note G - LEASES

The Commission has entered into four operating leases with Geary County, Kansas for the Courthouse/Pennell Building, Geary County Office Building, Detention Center Expansion and the expansion and renovation of the Geary Community Hospital facilities (Hospital Project). The leases expire when the bonds, which were used to construct the facilities, have been retired. The final bond payments on the Courthouse/Pennell, Geary County Office Building, Detention Center Expansion and Hospital Project bonds are March 1, 2017, February 1, 2017, August 1, 2026, and August 1, 2031 respectively.

The following is a schedule by years of minimum future rentals on non-cancelable operating leases as of December 31, 2008:

Year Ending December 31:	
2009	\$ 1,140,765
2010	1,140,765
2011	1,140,765
2012	1,140,765
2013	1,140,765
2014-2018	5,605,485
2019-2023	3,937,448
2024-2028	3,070,383
2029-2031	<u>1,246,138</u>
Total minimum future rentals	<u>\$ 19,563,279</u>

All of the lease agreements, except for the Hospital Project, include a stipulation that within 30 days after receipt of written notice, the lessee is obligated to pay any additional rent deemed payable by the Commission. There have been no such additional rents assessed since the inception of the leases.

Note H - 2007 FINANCIAL DATA

The amounts shown for 2007 in the financial statements are included where practicable, only to provide a basis for comparison with 2008, and are not intended to present all information necessary for a fair presentation in accordance with the statutory basis of accounting.

Note I – SUBSEQUENT EVENT

In March 2009, refunding revenue bonds were issued in the amount of \$2,915,000 for the Courthouse/Pennell and Geary County Office Building debt. The refunding bonds mature February 1, 2017 and will result in the elimination of one month of lease revenue.

SUPPLEMENTARY INFORMATION

GEARY COUNTY PUBLIC BUILDING COMMISSION

STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS
PENNELL - COURTHOUSE BUILDING
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2007</u>	<u>2008</u>
REVENUE		
Rent Income	\$ 438,400	438,400
Interest Income	12,856	9,751
TOTAL REVENUE	<u>451,256</u>	<u>448,151</u>
EXPENSES		
Interest Expense	103,709	97,524
Legal & Professional Fees	1,367	1,914
Bond Handling Fee	1	1
Bank Charges	3	-
Amortization	8,290	8,290
Depreciation - Pennell	24,843	24,843
Depreciation - Pennell Phase II	9,691	9,691
Depreciation - Courthouse	63,245	63,245
TOTAL EXPENSES	<u>211,149</u>	<u>205,508</u>
NET INCOME (LOSS)	<u>\$ 240,107</u>	<u>242,643</u>

GEARY COUNTY PUBLIC BUILDING COMMISSION

STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS

GEARY COUNTY OFFICE BUILDING

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2007</u>	<u>2008</u>
REVENUE		
Rent Income	\$ 108,000	109,000
Interest Income	1,069	757
TOTAL REVENUE	<u>109,069</u>	<u>109,757</u>
EXPENSES		
Interest Expense	40,880	38,255
Legal & Professional Fees	1,367	1,914
Bond Handling Fee	1	1
Amortization	2,384	2,384
Bank Charges	40	30
Office Supplies	23	-
Depreciation	45,703	45,703
TOTAL EXPENSES	<u>90,398</u>	<u>88,287</u>
NET INCOME (LOSS)	<u>\$ 18,671</u>	<u>21,470</u>