



JOHNSON COUNTY KANSAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2008

JOHNSON COUNTY, KANSAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended
December 31, 2008

Prepared by:
Office of Financial Management
Accounting and Financial Reporting Division

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Johnson County, Kansas For the year ended December 31, 2008

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INTRODUCTORY SECTION



Johnson County, Kansas

June 23, 2009

To the Honorable Chair and Commissioners of the Governing Board, and the Citizens of Johnson County:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of Johnson County, Kansas (the County), for the fiscal year ended December 31, 2008. Kansas statutes require the County to publish a complete set of annual financial statements presented in conformity with generally accepted accounting principles (GAAP) of the United States, and audited by an independent firm of licensed certified public accountants. The CAFR is prepared in accordance with GAAP and with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), and it is audited in accordance with auditing standards generally accepted (GAAS) in the United States of America.

Accounting and Internal Controls

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audit

The County's basic financial statements have been audited by Allen, Gibbs & Houlik, L.C., an independent firm of licensed certified public accountants that has issued an unqualified opinion that the financial statements of the County for the fiscal year ended December 31, 2008, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the County is part of a broader, federally-mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

Management's Discussion and Analysis

Generally accepted accounting principles (GAAP) in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a document titled *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of independent auditors in the *Financial Section* of this CAFR.

PROFILE OF THE COUNTY

Johnson County was organized as a county on September 7, 1857. The County was named for the Reverend Thomas Johnson, founder of the Shawnee Methodist Mission and Indian Manual Labor School in 1830. The County encompasses about 477 square miles and includes twenty incorporated cities and nine townships within its boundaries. The City of Olathe, located in the center of the County, was named as the County seat in 1858. Three major westward migration routes traversed Johnson County: the Santa Fe Trail, the Oregon Trail, and the California Road.

The highest authority in the Johnson County Government is the electorate. Voters choose the Board of County Commissioners (the Board). In November 2000, the voters of Johnson County approved the Home Rule Charter, which was developed to restructure the Board of County Commissioners to provide opportunities for County leadership to enhance future growth for the County and its citizens.

Prior to January 2003, the Board consisted of five district commissioners and the chair was elected annually from its members on a rotating basis. On January 16, 2003, the Board was reorganized from five members to seven members with the addition of a Chairman and one additional District Commissioner. The Chairman of the Commission is elected on a countywide basis and serves as a full-time County official. The six District Commissioners serve as part-time County officials and are elected by residents in specific geographical areas, or districts, of the County. The Board meets in regular business session once each week. The Commissioners serve staggered, four-year terms with no term limitations.

In addition to the Board of County Commissioners, the District Attorney's and Sheriff's positions are elected by the voters of Johnson County: These positions are elected at large and serve four-year terms with no term limitations.

In 1984, Johnson County government was designated by the International City-County Management Association (ICMA) as a Council-Manager form of government. Under this form of government, the Board appoints a professional County Manager to administer a variety of County functions. The County Manager is responsible for policy implementation, budget development and implementation, and the appointment and supervision of certain department directors.

In addition to the County Manager, the Board also appoints members to serve in an advisory capacity for five agency governing boards: Airport Commission; Developmental Supports Board; Library Board; Mental Health Board; and the Parks and Recreation District Board. The governing boards for these five agencies are responsible for a number of items, including the appointment and direction of an Executive Director for

their respective agency and the submission by each agency of an annual budget request to the Board of County Commissioners.

The County provides a full range of services, including public safety and judiciary, health and human services, cultural and recreational activities, and public works and transportation.

THE FINANCIAL REPORTING ENTITY

This CAFR includes the financial activities of the primary government, which also encompasses several enterprise activities, and the financial activities of the County's component units. Component units are legally separate entities for which the primary government is financially accountable, and/or legally separate organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the County's financial statements to be misleading or incomplete.

The Public Building Commission (PBC) is a component unit of Johnson County. The PBC Board is comprised of the same members as the Board of County Commissioners. For financial reporting purposes, the PBC's operations are presented as a blended component unit, i.e., as though it was a fund of the County.

The Parks and Recreation District (the District) is also a component unit of Johnson County. The District is governed by a seven-member board appointed by the Board of County Commissioners. The County is financially accountable for the District, because the County's Board approves the District's operating budget and levies taxes to fund the District. For financial reporting purposes, the District is shown as a discretely presented component unit.

Other independent agencies exist for schools and municipal utilities. They do not meet the definition of a component unit and are not included in this report. The County cannot impose its will on these agencies, nor is there any financial benefit or burden to the County, nor any fiscal dependency on the County by these agencies.

Budgetary Information

The Board of County Commissioners plans for the orderly operation of the County by the adoption of a balanced annual budget of anticipated revenues and expenditures, as required by Kansas statutes. It is the responsibility of all elected officials, agency directors, governing boards, and employees to exercise good stewardship in the management of public funds and resources for which they are responsible according to applicable statutes, the Board policy and priorities, and approved budgets. The County maintains an encumbrance accounting system as another method of accomplishing budgetary control.

Since budgets must be formulated well in advance of their execution, the Board recognizes that it can become necessary to amend a fund's budget. Budgets will be amended only for an emergency or other unanticipated need. In such cases, budgets will only be amended in accordance with Kansas statutes.

The statutes establish the overall legal level of control at the fund level by prohibiting expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget-to-actual comparisons are provided in this report for each

individual governmental fund for which an appropriated annual budget has been adopted.

Local Economy

Johnson County's economy has experienced nearly unprecedented growth and diversification over the last several decades and has become one of the most dynamic metro-centers in the nation's heartland. Johnson County has evolved from a "bedroom" community into a thriving force in the metropolitan area and continues to be an attractive location for both families and businesses. According to the County Economic Research Institute Inc. (CERI), Johnson County will enable the State of Kansas and the Kansas City metropolitan area to successfully compete with the nation's other premier business locations, attracting investment from throughout the world.

Johnson County's population has grown dramatically in the recent decades and has become the state's largest county with an estimated population of just under 540,000 in 2008. Johnson County has also grown in its proportion of population of both the State of Kansas and the Kansas City region. Johnson County leads in population density with more than 1,000 residents per square mile.

Between 1998 and 2008, the number of full and part-time jobs increased from 253,795 to 312,988 - a 23% increase. At the end of 2008, Johnson County's civilian labor force totaled 286,187 members and the unemployment rate was 4.8%, as compared to the national unemployment rate of 5.8%.

The number of businesses with payroll employment in the County grew from 14,971 establishments in 1998 to 17,955 in 2008 - an increase of 2,984 businesses or 20%. At this pace, Johnson County adds 298 new businesses annually or 25 per month. From 1997 to 2007, Johnson County accounted for 74% of the net increase in businesses in Kansas. Johnson County is home to the operations of half the Fortune 1,000 and one-third of the Fortune 500 companies. Some of the corporations with national and world headquarters in Johnson County include Applebee's International, Inc., Black & Veatch, Embarq, Garmin Ltd., Sprint Nextel, and YRC Worldwide.

Over \$502 million dollars in Kansas State sales tax was collected in Johnson County. This amounted to 26% of the state's total revenue from this source.

In 2008, Johnson County had the highest assessed valuation in the State of Kansas. The assessed valuation for Johnson County increased 0.76% over the previous year. Market valuation decreased by 26.7% over the same period. The value of new construction contracts in 2008, as recorded by F. W. Dodge, was over \$1 billion dollars for thirteen consecutive years for Johnson County.

Johnson County has the lowest mill levy rate of all 105 counties in Kansas. The Board of County Commissioners was successful in reducing the mill levy for 2008. The second lowest county in terms of mill levy rate is approximately 50 percent higher than the 17.7 mills levied in Johnson County.

Long-term Financial Planning and Major Initiatives

The Board of County Commissioners has developed several strategic goals to align financial decisions for the County to the services being provided to the community. The Board is committed to be responsible stewards of the taxpayers' money, to provide the

best possible mandatory and discretionary services, to build a “Community of Choice,” and to advance a positive organizational work environment.

The fiscal year 2009 budget reflects a prudent and realistic approach, with an emphasis on maintaining existing services and capital assets. Overall, the adopted budget maintains the quality of life for Johnson County residents, including a reasonable tax burden. The 2009 budget was developed in accordance with the Board of County Commissioner’s strategic goals, which align financial decisions to the services provided to the community.

The Board’s first goal is to be “responsible stewards of the taxpayers’ money.” The 2009 budget was adopted with a total mill levy of 23.114. The mill levy broken down by taxing district is 17.728 for Johnson County, 3.050 for the Library, and 2.336 for the Park and Recreation District. This represents a decrease of 0.128 when compared to the final 2008 mill levy of 23.242. The Board is also committed to funding continuing operating expenditures with on-going revenue sources, to maintaining sufficient General Fund reserves for unanticipated and unusual circumstances, and to estimating revenues conservatively to avoid budget shortfalls.

The second goal for the Board is to “provide the best possible mandatory and discretionary services.” The 2009 budget was adopted with an emphasis on meeting the needs of the community, while planning for the future. Adding resources to services for fuel, utilities, and commodities increases is important in maintaining service levels that the community has come to expect. Even in a slowed economy, some services and programs need to be enhanced. Resources were approved to expand service for the Swift and Special Edition transit services that provide mass transit services for elderly, low income and disabled residents of Johnson County.

The Board’s third goal is to “build a ‘Community of Choice’ – a place where people want to live and work.” The Board’s commitment to this goal is demonstrated by allocating \$15.4 million to the County Assistance Road System (CARS), a joint partnership with local cities in both 2008 and 2009. The County has contributed over \$77 million to this successful partnership with the cities during the past five years. Continued support to public libraries and park and recreation activities are secure in the FY 2009 Budget as well. Funding has been included to increase the Park and Recreation District mill levy by 0.041 to 2.336 mills, and the Library District mill levy by 0.088 to 3.050 mills.

Taking care of the community’s most vulnerable citizens is a hallmark of a community of choice. In collaboration with the cities, Johnson County has added a Lead Rehabilitation Specialist to the Minor Home Repair Program that helps low-income residents to make repairs and improve the energy efficiency of their homes. The addition of a social Worker to the Family Health Services Division of Public Health will improve client outcomes by providing assessments of psycho-social and financial needs and matching those needs to the resources available.

The fourth goal for the Board is to “advance a positive organizational work environment to empower employee innovation and productivity.” Maintaining employee compensation during a slowed economy and during a time when departments are asked to reduce budgets is not an easy task. Johnson County recognizes that its employees are its greatest asset. Appropriate, market-based compensation is key to maintaining a positive work environment.

Relevant Financial Policies

The County's policy is to fund on-going expenditures with on-going revenues. For 2009, the adopted General Fund budget includes the use of reserves to balance the operating budget. This use of reserves to balance the budget is a temporary measure that is available due to the significant fund balance in the General Fund. Even with the use of reserves, the projected fund balance for the year ending December 31, 2009 is anticipated to be approximately \$46.7 million, or 20.5% of the General Fund revenues (excluding intra-fund transfers and the General Fund cost allocations), exceeding County policy of a reserve calculated to be from 10% to 15% of revenues.

Awards and Acknowledgements:

The Government Finance Officers Association (GFOA) awarded its *Certificate of Achievement for Excellence in Financial Reporting* to the County for its Comprehensive Annual Financial Report for the year ended December 31, 2007. This was the twenty-first consecutive year the County applied for and received this prestigious award. In order to be awarded a *Certificate of Achievement*, the government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. A *Certificate of Achievement* is valid for a period of one year only. We believe that the 2008 Comprehensive Annual Financial Report continues to meet the *Certificate of Achievement* program requirements, and we will submit it to GFOA to determine its eligibility for certification.

In addition, the County also received the GFOA's *Distinguished Budget Award* for its annual Capital and Operating Budgets document for the fiscal year beginning January 1, 2009. The County has received this award nineteen times. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Our appreciation is extended to the Board of County Commissioners for their continued support in maintaining the highest standards for financial reporting. Our gratitude is also expressed to the various elected officials, agency and department heads, as well as employees responsible for contributing to the sound financial position of Johnson County. In particular, special thanks are extended to all Office of Financial Management staff for their contributions to this year's Comprehensive Annual Financial Report. Special gratitude is due to the Accounting staff of the Office of Financial Management: Accounting and Financial Reporting Manager Becky Jones, Senior Accountants Jim Longmire, Chuck Nichols, and Nancy Torneden and Accountants Jerry Verhulst, Subrina Zeller, and Gary Doggett; for their hours of commitment to excellence. We would also like to acknowledge the accounting firm of Allen, Gibbs & Houlik, L.C. for their review and comments in the preparation of this report.

Thomas G. Franzen
Director of Financial Management

Hannes Zacharias
Deputy County Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Johnson County
Kansas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

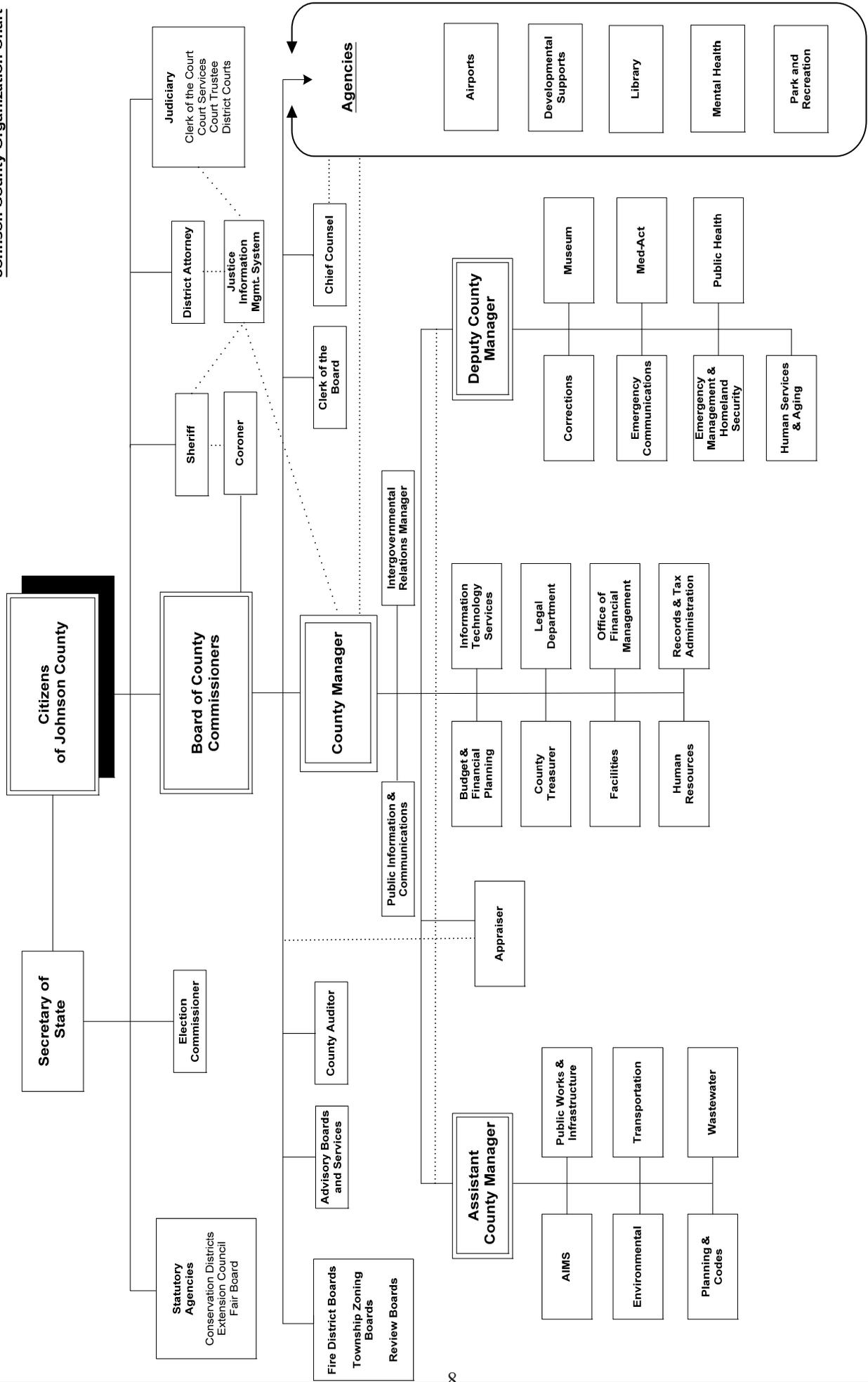
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

Johnson County Organization Chart



Elected Officials

as of December 31, 2008

<u>Board of County Commissioners</u>	<u>Length of Service</u>	<u>Term Expires</u>	<u>Position</u>
Annabeth Surbaugh	16 years	2010	Chairman
C. Edward Peterson	6 years	2010	1st District
John P. Segale	4 years	2008	2nd District
David A. Lindstrom	6 years	2008	3rd District
Ed Eilert	2 years	2010	4th District
Douglas E. Wood	10 years	2010	5th District
John M. Toplikar	6 years	2008	6th District
 <u>Elected Officials</u>			
Frank Denning	4 years	2008	Sheriff
Phill Kline	2 years	2008	District Attorney

Appointed Officials as of December 31, 2008

Appointed Officials	Position	Length of Service to Johnson County	Other Government Service
Michael B. Press	County Manager	32 years	
Hannes Zacharias	Deputy County Manager	7 years	23 years
Bernice Duletski	Assistant County Manager	4 years	27 years
Don Jarrett	Chief Counsel	23 years	
Ted McFarlane	Chief of Emergency Medical Service	8 years	26 years
Casey Joe Carl	Clerk of Board	11 years	
Paul Welcome	County Appraiser	17 years	11 years
Bill Miller	County Auditor	4 years	39 years
Donna Lauffer	County Librarian	30 years	6 years
Jay Heermann	Director of Automated Information Mapping System	15 years	
Scott Neufeld	Director of Budget and Financial Planning	14 years	7 years
Elizabeth Gillespie	Director of Corrections	2 year	33 years
Walt Way	Director of Emergency Communications	36 years	
Nick Crossley	Director of Emergency Management	10 years	
Cindy Kemper	Director of Environmental	7 years	25 years
Joe Waters	Director of Facilities	14 years	5 years
Tom Franzen	Director of Financial Management	10 years	
Becky Salter	Director of Human Resources	1 year	10 years
Deborah Collins	Director of Human Services and Aging	23 years	
Jack Clegg	Director of Information Technology Services	10 years	6 years
Mac Andrew	Director of Public works & Infrastructure/County Engineer	9 years	33 years
F. Lawrence McAulay, Jr.	Director of Legal Services	9 years	18 years
Mindi Love	Director of Museum	10 years	4 years
Michael Meadors	Director of Parks and Recreation	23 years	4 years
Dean Palos	Director of Planning	20 years	10 years
Vacant	Director of Public Health		
Alice M. Amrein	Director of Transportation	20 years	1 year
Brian Newby	Election Commissioner	4 years	7 years
Lee Metcalfe	Executive Director of Airports	20 years	4 years
Maury Thompson	Executive Director of Developmental Supports	17 years	2 years
David Wiebe	Executive Director of Mental Health	23 years	20 years
John O'Neil	Wastewater Administrator	20 years	8 years

FINANCIAL SECTION

- **Independent Auditors' Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Notes to the Financial Statements**

INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Johnson County, Kansas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Johnson County, Kansas (County) as of and for the year ended December 31, 2008, 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, the *Kansas Municipal Audit Guide*, 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 that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2009, on our consideration of the County's internal control over financial reporting and 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 compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and required supplementary information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial 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. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Allen, Gibbs & Houlik, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

June 23, 2009
Wichita, Kansas

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Johnson County, Kansas (the County) Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$607,937,626 (net assets). Of this amount, \$197,919,320 (unrestricted net assets) may be used to meet the County's on-going obligations to citizens and creditors.
- The County's total net assets increased by \$23,728,139 during the fiscal year.
- As of December 31, 2008, the County's governmental funds reported combined ending fund balances of \$222,137,980. Approximately 82 percent of this total amount, \$181,960,273, is unreserved fund balance available for spending at the government's discretion.
- At the close of the current fiscal year, unreserved fund balance for the general fund was \$81,602,563 or 33 percent of total general fund expenditures of \$247,830,527.
- The County's investment in capital assets net of accumulated depreciation increased by \$88,254,216 or 14 percent.
- The County's total long-term debt increased by \$75,965,003 (25 percent) during the current fiscal year. This was due to the issuance of debt for various Airport, Unified Wastewater and Public Building Commission projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components: 1) Government-wide financial statements, 2) Fund financial statements and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time,

increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public works, public safety, health and human services, planning and economic development, and culture and recreation. The business-type activities of the County include an airport, wastewater treatment, transportation operations and the Public Building Commission.

The government-wide financial statements include not only the County itself (known as the primary government), but also a legally separate Parks and Recreation District for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize their status as legally separate from the primary government and to differentiate their financial position, results of operations and cash flows from those of the primary government. The Parks and Recreation District is reported as a discretely presented component unit.

Included within the business-type activities of the government-wide financial statements are the operations of the Johnson County Public Building Commission (PBC). Although legally separate from the County, this component unit is blended with the primary government for the following reasons: the County is financially accountable for the PBC, the PBC has substantially the same governing board as the County, and the PBC provides services entirely to the County. Accordingly, the PBC is reported as an enterprise fund of the primary government.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into the following three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements (i.e., most of the County's basic services are reported in governmental funds). These statements, however, focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the County's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds organized according to their type (special revenue, debt service, and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund, both of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary funds are generally used to account for services for which the County charges customers. These customers include both external customers and internal units or departments of the County. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of its airport, transportation operations, wastewater services and the Public Building Commission. The proprietary fund financial statements provide separate information for the Unified Wastewater District and for the PBC, both of which are considered to be major funds of the County.
- **Internal Service funds** are used to report activities that provide supplies and services for certain County programs and activities. The County uses internal service funds to account for its risk management and self-insured health care. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The County's agency funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the

County's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the basic financial statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The combining statements referred to earlier in connection with non-major governmental funds, non-major proprietary funds, internal service funds, and fiduciary funds are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the seventh year that the County has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), Basic Financial Statements - and Management's Discussion and Analysis (MD&A) – for State and Local Governments.

Johnson County's Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 455,268,446	\$ 452,874,860	\$ 132,783,485	\$ 110,699,056	\$ 588,051,931	\$ 563,573,916
Capital assets	164,677,695	151,926,997	560,528,856	485,025,338	725,206,551	636,952,335
Total assets	619,946,141	604,801,857	693,312,341	595,724,394	1,313,258,482	1,200,526,251
Long-term liabilities outstanding	44,823,217	50,539,653	402,843,019	322,266,309	447,666,236	372,805,962
Other liabilities	202,782,427	203,426,623	54,872,193	40,084,179	257,654,620	243,510,802
Total liabilities	247,605,644	253,966,276	457,715,212	362,350,488	705,320,856	616,316,764
Net assets:						
Invested in capital assets, net						
of related debt	143,707,961	119,244,891	214,435,444	214,915,235	358,143,405	334,160,126
Restricted	51,874,901	57,497,761	-	-	51,874,901	57,497,761
Unrestricted	176,757,635	174,092,929	21,161,685	18,458,671	197,919,320	192,551,600
Total net assets	\$ 372,340,497	\$ 350,835,581	\$ 235,597,129	\$ 233,373,906	\$ 607,937,626	\$ 584,209,487

Analysis of Net Assets. As noted earlier, net assets may serve as a useful indicator of a government's financial position. For the County, assets exceeded liabilities by \$607,937,626 at the close of the current fiscal year.

The largest portion of the County's net assets (59 percent) reflects its investment of \$358,143,405 in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the County's net assets, \$51,874,901 (9 percent) represents resources that are subject to external restrictions on how they may be used. The

remaining balance of unrestricted net assets, \$197,919,320 (33 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

As stated earlier, at the end of the current fiscal year, the County is able to report an increase in total net assets of \$23,728,139. The following table reflects the revenues and expenses for the County's activities for the year ended December 31, 2008, and illustrates the comparison between 2008 and the prior year:

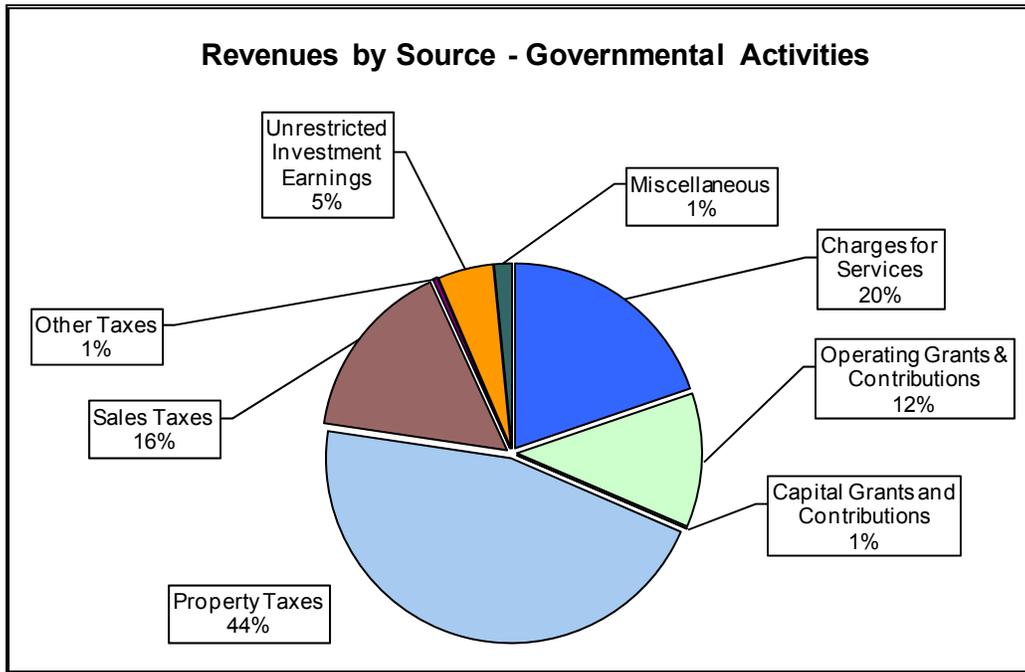
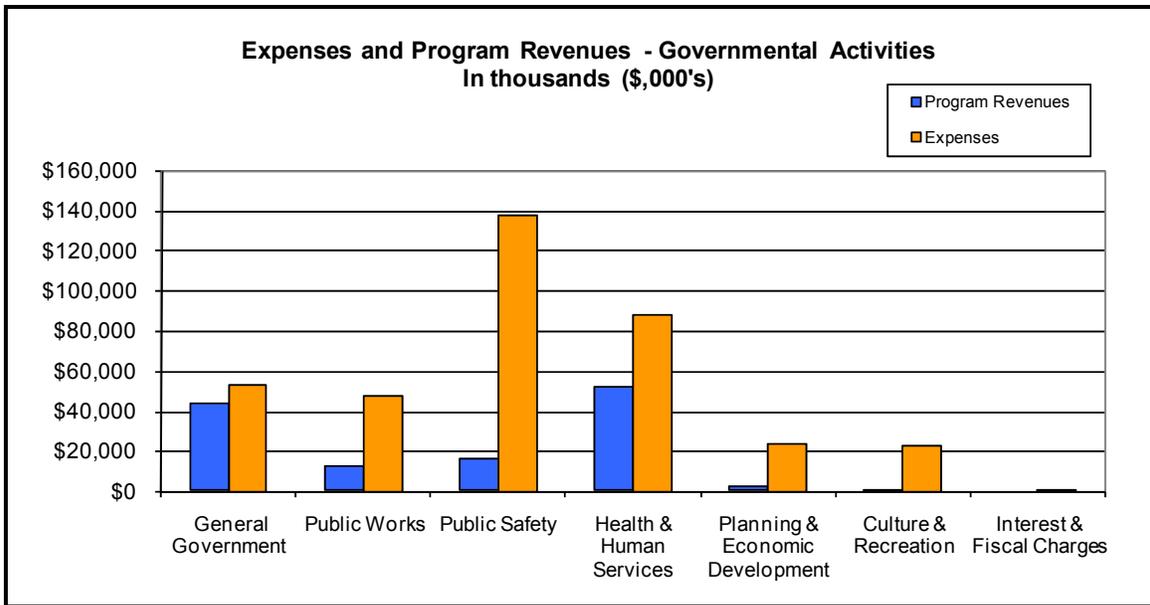
Johnson County's Changes in Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$ 79,432,072	\$ 91,718,090	\$ 78,584,810	\$ 79,829,608	\$ 158,016,882	\$ 171,547,698
Operating grants and contributions	47,057,433	45,264,428	2,278,863	4,414,815	49,336,296	49,679,243
Capital grants and contributions	203,989	239,364	26,531	833,630	230,520	1,072,994
General revenues:						
Property taxes	184,292,683	173,957,923	3,949	8,237	184,296,632	173,966,160
Sales taxes	63,684,470	66,816,061	-	-	63,684,470	66,816,061
Other taxes	1,639,876	1,646,312	-	-	1,639,876	1,646,312
Unrestricted investment earnings	19,525,362	21,489,622	3,811,399	5,675,816	23,336,761	27,165,438
Miscellaneous	6,235,870	6,496,744	102,266	-	6,338,136	6,496,744
Total revenues	402,071,755	407,628,544	84,807,818	90,762,106	486,879,573	498,390,650
Expenses, net of indirect cost allocation:						
General government	53,464,668	52,492,768	-	-	53,464,668	52,492,768
Public works	48,254,896	55,558,251	-	-	48,254,896	55,558,251
Public safety	137,573,512	133,044,394	-	-	137,573,512	133,044,394
Health and human services	88,258,658	86,469,544	-	-	88,258,658	86,469,544
Planning and economic development	23,486,695	23,862,455	-	-	23,486,695	23,862,455
Culture and recreation	23,167,856	22,678,526	-	-	23,167,856	22,678,526
Interest on long term debt	1,092,150	1,407,149	-	-	1,092,150	1,407,149
Airport	-	-	5,260,746	4,829,599	5,260,746	4,829,599
Unified wastewater district	-	-	65,122,590	54,265,490	65,122,590	54,265,490
Transportation	-	-	9,665,527	8,734,434	9,665,527	8,734,434
Public Building Commission	-	-	7,804,136	8,258,489	7,804,136	8,258,489
Total expenses	375,298,435	375,513,087	87,852,999	76,088,012	463,151,434	451,601,099
Increase (decrease) in net assets before transfers	26,773,320	32,115,457	(3,045,181)	14,674,094	23,728,139	46,789,551
Transfers	(5,268,404)	(3,697,429)	5,268,404	3,697,429	-	-
Increase in net assets	21,504,916	28,418,028	2,223,223	18,371,523	23,728,139	46,789,551
Net assets - 1/1/08	350,835,581	322,417,553	233,373,906	215,002,383	584,209,487	537,419,936
Net assets - 12/31/08	\$ 372,340,497	\$ 350,835,581	\$ 235,597,129	\$ 233,373,906	\$ 607,937,626	\$ 584,209,487

Analysis of Changes in Net Assets.

Governmental Activities

During the current fiscal year, the County's net assets related to governmental activities increased by \$21,504,916. This increase is less than the prior year primarily due to decreases in revenue recorded in charges for services, sales taxes, and investment earnings. Revenues are down in many categories as a result of the slowdown in the economy.

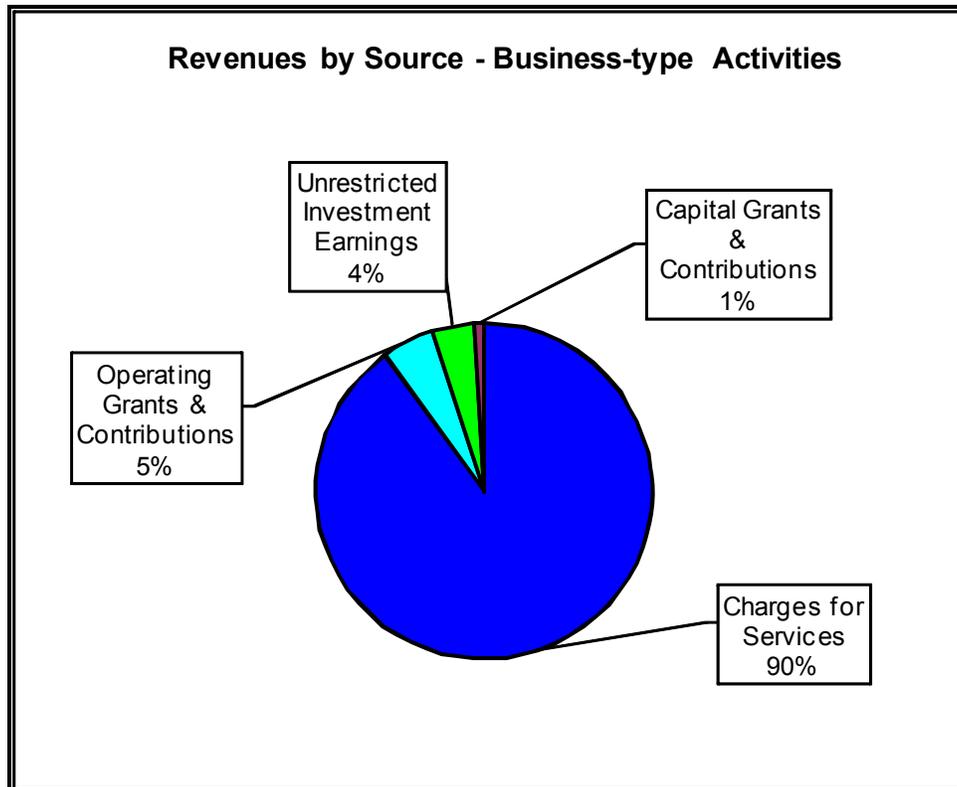
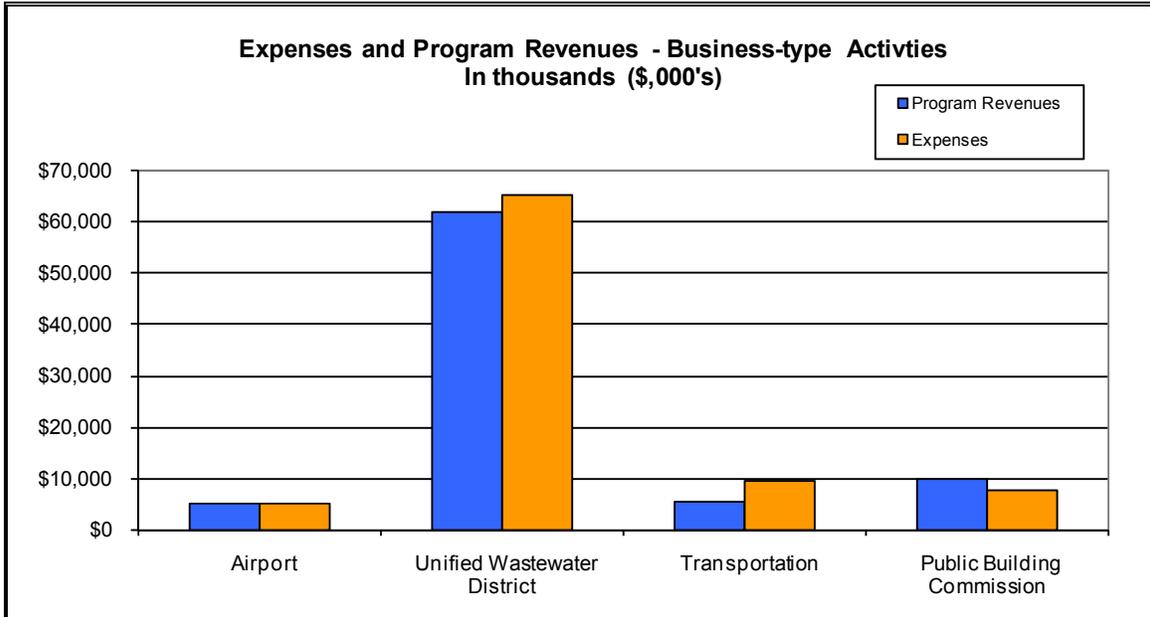
Total governmental expenses remained constant from 2007 to 2008. Expenses increased particularly in the areas of general government, public safety, and health and human services due to increasing costs for personal services. The increase in general government is also due to more costs for elections as well as additional costs to maintain facilities in 2008. These increases are offset by the decrease in expenses from public works exercising fiscal restraint of spending.



The chart above illustrates the County's governmental expenses and revenues by function, and revenues by source. As shown, public safety is the largest function in expense (37 percent), followed by health and human services (24 percent), general government (14 percent), and public works (13 percent). General revenues such as property, business, and sales taxes are not shown by program, but are effectively used to support program activities countywide. For governmental activities overall, without regard to program, property taxes is the largest single source of funds (44 percent), followed by charges for services (20 percent) and sales taxes (16 percent).

Business-type Activities

During the current fiscal year, the County's net assets related to business-type activities increased by \$2,223,223, down from an increase of \$18,371,523 in net assets for 2007. Revenues decreased across all categories reflecting the downturn in the economy. Expenses increased in the Airport, Unified Wastewater District, and Transportation funds due to the acquisition and construction of infrastructure.



The charts on the previous page illustrate the County's business-type activities' expenses and revenues by department, and its revenues by source. Revenues for business type activities that were less than 1% were not illustrated on the above chart. As expected, the primary source of revenue for business-type activities results from charges for services.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the County include the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund.

As of the end of the current fiscal year, the County's governmental activities funds reported combined ending fund balances of \$222,137,980 an increase of \$5,723,107 from the prior year. Approximately \$181,960,273 of this total amount constitutes unreserved fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the unreserved fund balance of the general fund was \$81,602,563, while total fund balance was \$91,798,926. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 33 percent of total general fund expenditures of \$247,830,527 while total fund balance represents 37 percent of that same amount.

The fund balance in the County's general fund has increased by \$7,001,198 during the current fiscal year, mainly due to growth in local property taxes and increases in intergovernmental revenues.

The capital projects fund had a decrease in fund balance of \$489,579 during the current fiscal year. This decrease is attributed to transfers out to the Public Building Commission fund for work on a capital building project.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets for the business-type activities at the end of the year amounted to \$21,161,685. The total increase in net assets during the current fiscal year was \$2,223,223. This increase is largely due to a \$1,570,975 increase in transfers in.

The total change in net assets for the Unified Wastewater District was \$(1,284,448) and \$5,041,676 for the Public Building Commission, respectively. The decrease in net assets

for the Unified Wastewater District is primarily due to a decrease in charges for services and an increase in capital infrastructure expenditures. The increase in net assets for the Public Building Commission is primarily due to increases in transfers in and charges for services.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was no variance between the original budget and the final budget. Actual revenues were below the final budget by \$6,820,471. Due to the County’s effective budget controls expenses were \$78,237,776 less than expected, which resulted in a positive variance of \$74,389,297 in the General Fund. A summary of the significant differences between budgetary estimates for revenues and expenditures is as follows:

- Charges for services were down \$2,593,984 across all categories due to the slowdown in the economy.
- Intergovernmental revenues were \$3,828,728 less than expected as sales and use taxes received were less than anticipated.
- General fund reserves of \$57,343,989 remain available at the end of 2008.
- Expenditures were down \$20,893,787 across all categories as departments exercised fiscal restraint in spending due to the slowdown in the economy.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County’s investment in capital assets for its governmental and business type activities as of December 31, 2008 amounted to \$725,206,551 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, highways and bridges.

Johnson County’s Capital Assets (net of depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 20,278,882	\$ 20,278,882	\$ 6,485,402	\$ 6,055,402	\$ 26,764,284	\$ 26,334,284
Buildings	51,004,656	52,164,480	134,171,927	139,114,052	185,176,583	191,278,532
Improvements other than buildings	2,680,002	925,961	100,520,838	99,316,077	103,200,840	100,242,038
Machinery and equipment	7,379,234	6,147,142	34,798,980	38,466,558	42,178,214	44,613,700
Infrastructure	46,563,383	49,729,294	152,515	162,096	46,715,898	49,891,390
Construction in progress	36,771,538	22,681,238	284,399,194	201,911,153	321,170,732	224,592,391
Total	\$ 164,677,695	\$ 151,926,997	\$ 560,528,856	\$ 485,025,338	\$ 725,206,551	\$ 636,952,335

Additional information on the County’s capital assets can be found in Note 5 of this report.

Long-Term Debt. At the end of the current fiscal year, the County had total long-term debt outstanding of \$381,289,996. This amount was comprised of \$215,513,656 of general obligation and \$12,405,000 of special obligation debt backed by the full faith and credit of the County. Special Assessment debt in the amount of \$621,340 is debt for which the County is liable in the event of default by the property owners subject to the assessment. The remainder of the County’s debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Johnson County's Outstanding Debt General Obligation and Revenue Bonds						
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$ 8,548,340	\$ 10,767,551	\$ 206,965,316	\$ 180,676,103	\$ 215,513,656	\$ 191,443,654
Special obligation bonds	12,405,000	18,160,000	-	-	12,405,000	18,160,000
Special assessment debt	18,473	26,346	602,867	689,993	621,340	716,339
Revenue bonds	-	-	152,750,000	95,005,000	152,750,000	95,005,000
Total	\$ 20,971,813	\$ 28,953,897	\$ 360,318,183	\$ 276,371,096	\$ 381,289,996	\$ 305,324,993

The County's total long-term debt increased by \$75,965,003 during the fiscal year. This was due to the issuance of debt for various Airport, Unified Wastewater and Public Building Commission projects.

The County maintains an AAA rating from Standard & Poor's and an Aaa rating from Moody's for general obligation debt. The Public Building Commission, a blended component unit of the County, maintains an AAA rating from Standard and Poor's and an Aaa rating from Moody's for revenue bonds.

Statutes limit the amount of general obligation debt a governmental entity may issue to three percent of its total assessed valuation. The current debt limitation for the County is \$692,667,573, which is significantly in excess of the County's outstanding general obligation debt. Detailed information on the County's debt limit can be found in the Statistical Section of this report.

Additional information on the County's long-term debt can be found in Note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

Johnson County continues to be an attractive location for both families and businesses. According to the U.S. Census, the County's population increased from 443,434 in 1999 to 539,811 in 2008 (an increase of 96,377, or 22 percent). On average, the County's population grows by approximately 10,709 persons per year, or 893 per month. Unemployment rates are currently at 4.8% as compared to a national level of 5.8% and a state level of 4.4%.

The AAA rating referenced above continues to reflect the County's:

- Diverse and expanding local economy, participating in the larger Kansas City Metropolitan Statistical Area;
- Above-average wealth levels;
- Strong financial operations supported by conservative management and established fiscal policies; and
- Moderate debt levels that should remain manageable through on-going planning.

All of these factors were considered in preparing the County's budget for 2008. During the current year, the unreserved, undesignated fund balance in the general fund increased to \$62,745,436, an increase of \$8,664,963 over the 2007 balance of

\$54,080,473. The 2009 budget anticipated the use of \$20,541,214 of this fund balance to avoid the need to raise additional taxes. The Unified Wastewater District increased various user charges by approximately five percent for 2008 and increased the capital finance charge and other fees by approximately twenty four percent for 2009. These rate increases were necessary to fund ongoing capital expansion for the County as a result of population growth and demand for services.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Office of Financial Management, 111 South Cherry Street, Suite 2400, Olathe, Kansas 66061. The County's Comprehensive Annual Financial Report and financial publications can be found on the internet at <http://ofm.jocogov.org/defaultacctng.htm>. Separately issued financial statements for the discretely presented component unit, the Parks and Recreation District, may be obtained at 7900 Renner Road, Lenexa, Kansas 66218.

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BASIC FINANCIAL STATEMENTS

Johnson County, Kansas
Statement of Net Assets
December 31, 2008

	PRIMARY GOVERNMENT			Component Unit
	Governmental Activities	Business Type Activities	Total	Park and Recreation
ASSETS				
Deposits including investments	\$ 260,151,797	\$ 42,193,588	\$ 302,345,385	\$ 10,568,924
Receivables (net of allowance for uncollectibles):	191,029,703	34,399,799	225,429,502	19,983,320
Internal balances	2,060,850	(2,060,850)	-	-
Inventories	1,713,710	113,051	1,826,761	37,079
Prepays	312,386	-	312,386	1,003,803
Restricted cash and investments	-	58,137,897	58,137,897	3,940,208
Capital assets (net of accumulated depreciation):				
Land	20,278,882	6,485,402	26,764,284	53,356,201
Buildings	51,004,656	134,171,927	185,176,583	14,627,511
Improvements other than buildings	2,680,002	100,520,838	103,200,840	14,586,963
Machinery and equipment	7,379,234	34,798,980	42,178,214	1,107,367
Infrastructure	46,563,383	152,515	46,715,898	-
Construction in progress	36,771,538	284,399,194	321,170,732	10,352,438
TOTAL ASSETS	619,946,141	693,312,341	1,313,258,482	129,563,814
LIABILITIES				
Accounts payable	18,318,070	14,859,022	33,177,092	155,343
Salaries and wages payable	8,228,732	603,119	8,831,851	-
Accrued liabilities	7,098,120	34,004	7,132,124	587,265
Interest payable	285,044	6,968,492	7,253,536	740,220
Unearned revenue	168,852,461	32,407,556	201,260,017	19,714,404
Restricted, project reserve deposits	-	-	-	53,523
Noncurrent liabilities				
Due within one year	8,703,314	25,226,317	33,929,631	3,678,045
Due in more than one year	36,119,903	377,616,702	413,736,605	51,487,126
TOTAL LIABILITIES	247,605,644	457,715,212	705,320,856	76,415,926
NET ASSETS				
Invested in capital assets, net of related debt	143,707,961	214,435,444	358,143,405	41,786,434
Restricted for:				
Debt service	283,994	-	283,994	138,597
Special revenue funds	43,702,643	-	43,702,643	2,340,950
Capital projects	-	-	-	2,688,955
Public safety	3,013,914	-	3,013,914	-
Economic development	4,874,350	-	4,874,350	-
Unrestricted	176,757,635	21,161,685	197,919,320	6,192,952
TOTAL NET ASSETS	\$ 372,340,497	\$ 235,597,129	\$ 607,937,626	\$ 53,147,888

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Balance Sheet
Governmental Funds
December 31, 2008

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Deposits including investments	\$ 85,446,369	\$ 90,671,644	\$ 44,536,867	\$ 220,654,880
Receivables (net of allowance for uncollectibles):	123,416,976	-	67,524,652	190,941,628
Due from other funds	2,060,850	-	-	2,060,850
Inventories	619,557	-	1,094,153	1,713,710
Prepays	185,329	-	67,236	252,565
Total assets	\$ 211,729,081	\$ 90,671,644	\$ 113,222,908	\$ 415,623,633
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 6,394,337	\$ 4,602,313	\$ 2,758,952	\$ 13,755,602
Salaries and wages payable	5,708,393	1,958	2,493,407	8,203,758
Due to others	2,672,593	-	1,239	2,673,832
Deferred revenue	105,154,832	-	63,697,629	168,852,461
Total liabilities	119,930,155	4,604,271	68,951,227	193,485,653
Fund Balances:				
Reserved for:				
Encumbrances	2,122,770	27,810,953	2,324,053	32,257,776
Prepaid items	185,329	-	67,236	252,565
Public safety	3,013,914	-	-	3,013,914
Economic development	4,874,350	-	-	4,874,350
Unreserved, reported in:				
Designated for working capital	15,781,297	-	-	15,781,297
Designated for restricted agencies	3,075,830	-	-	3,075,830
Debt service fund	-	-	569,038	569,038
Capital projects fund	-	58,256,420	-	58,256,420
General fund	62,745,436	-	-	62,745,436
Special revenue funds	-	-	41,311,354	41,311,354
Total fund balances	91,798,926	86,067,373	44,271,681	222,137,980
Total liabilities and fund balances	\$ 211,729,081	\$ 90,671,644	\$ 113,222,908	\$ 415,623,633

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
**Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets**
December 31, 2008

Total fund balance - all governmental funds	\$	222,137,980
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets, including infrastructure, used in governmental activities are not financial resources and therefore are not reported in the funds.		164,677,695
Less Internal Services Fund Capital Assets		-
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds:		
Interest Payable	\$	(285,044)
Deferred Revenue-Special Assessments		-
Bonds:		
General obligation, net of unamortized premium of \$5,605	(8,546,262)	
Special obligation	(12,405,000)	
Special assessment	(18,472)	
Compensated absences	(17,059,352)	
Other post employment benefits	(6,766,318)	
Capital lease obligations	(27,813)	
Total		(45,108,261)
Less Internal Services Fund Long Term Debt		55,119
Internal service funds are used by management to charge costs of central stores, risk management and self-insured health care to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		30,577,964
Net assets of governmental activities	<u>\$</u>	<u>372,340,497</u>

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 169,046,629	\$ -	\$ 80,568,263	\$ 249,614,892
Intergovernmental	22,291,222	50,000	24,920,200	47,261,422
Charges for services	57,993,008	-	25,494,575	83,487,583
Investment earnings	13,975,816	-	3,828,928	17,804,744
Licenses and permits	2,207,625	-	474,807	2,682,432
Other	5,048,309	51,684	1,135,877	6,235,870
Total revenues	<u>270,562,609</u>	<u>101,684</u>	<u>136,422,650</u>	<u>407,086,943</u>
EXPENDITURES				
Current:				
General government	70,064,927	-	899,033	70,963,960
Public works	-	-	10,580,267	10,580,267
Public safety	120,634,362	-	3,010,896	123,645,258
Health and human services	24,164,262	-	57,147,447	81,311,709
Planning and economic development	23,043,880	-	26,537	23,070,417
Culture and recreation	1,250,153	-	20,791,752	22,041,905
Debt service:				
Principal retirement	-	-	9,392,084	9,392,084
Interest and fiscal charges	1,109	-	1,235,532	1,236,641
Capital outlay	8,671,834	41,815,001	4,788,942	55,275,777
Total expenditures	<u>247,830,527</u>	<u>41,815,001</u>	<u>107,872,490</u>	<u>397,518,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,732,082</u>	<u>(41,713,317)</u>	<u>28,550,160</u>	<u>9,568,925</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,341,663	41,756,373	6,042,770	49,140,806
Transfers out	(17,072,547)	(532,635)	(36,804,028)	(54,409,210)
Refunding bonds issued	-	-	1,410,000	1,410,000
Premium on bonds issued	-	-	12,586	12,586
Total other financing sources and uses	<u>(15,730,884)</u>	<u>41,223,738</u>	<u>(29,338,672)</u>	<u>(3,845,818)</u>
Net change in fund balances	7,001,198	(489,579)	(788,512)	5,723,107
Fund balances - beginning	84,797,728	86,556,952	45,060,193	216,414,873
Fund balances - ending	<u>\$ 91,798,926</u>	<u>\$ 86,067,373</u>	<u>\$ 44,271,681</u>	<u>\$ 222,137,980</u>

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2008

Net change in fund balances - all governmental funds \$ 5,723,107

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital assets exceeded depreciation in the current period.

	Capital Outlay	\$ 23,513,358		
	Depreciation Expense	<u>(7,823,636)</u>		
	Net change			15,689,722

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and other similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

	Principal Retirement	9,392,084		
	Proceeds From General Obligation bonds	(1,410,000)		
	Proceeds From bonds issued	<u>(12,586)</u>		
	Net change			7,969,498

Net gain (loss) on disposal of capital assets, infrastructure and other reconciling items (2,913,551)

The net change in accrued interest on general obligation bonds is not a current source or use of financial resources and therefore not reported in the governmental funds. 144,491

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 7,072

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds (1,194,520)

OPEB expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds (1,091,296)

Internal service funds are used by management to charge costs of risk management and self-insured health care to the individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (2,829,607)

Changes in net assets of governmental activities \$ 21,504,916

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 169,726,136	\$ 169,726,136	\$ 169,046,629	\$ (679,507)
Intergovernmental	24,318,512	26,119,950	22,291,222	(3,828,728)
Charges for services	61,299,783	60,586,992	57,993,008	(2,593,984)
Investment earnings	11,053,280	11,053,280	12,610,319	1,557,039
Licenses and permits	3,800,229	3,279,145	2,207,625	(1,071,520)
Other	5,819,643	5,252,080	5,048,309	(203,771)
Total revenues	<u>276,017,583</u>	<u>276,017,583</u>	<u>269,197,112</u>	<u>(6,820,471)</u>
EXPENDITURES				
Current:				
General government	83,224,867	84,739,660	77,171,306	7,568,354
Public safety	122,892,515	121,420,268	113,502,587	7,917,681
Health and human services	26,155,954	26,252,375	24,220,713	2,031,662
Planning and economic development	23,543,508	23,935,331	23,066,832	868,499
Culture and recreation	1,378,731	1,441,011	1,284,912	156,099
Capital outlay	10,918,738	11,069,220	8,717,728	2,351,492
Reserves	60,920,859	57,343,989	-	57,343,989
Total expenditures	<u>329,035,172</u>	<u>326,201,854</u>	<u>247,964,078</u>	<u>78,237,776</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(53,017,589)</u>	<u>(50,184,271)</u>	<u>21,233,034</u>	<u>71,417,305</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	123,500	123,500	1,341,663	1,218,163
Transfers out	(17,630,774)	(20,464,092)	(18,710,263)	1,753,829
Total other financing sources and uses	<u>(17,507,274)</u>	<u>(20,340,592)</u>	<u>(17,368,600)</u>	<u>2,971,992</u>
Net change in fund balances	<u>(70,524,863)</u>	<u>(70,524,863)</u>	<u>3,864,434</u>	<u>\$ 74,389,297</u>
Fund balances - beginning	<u>70,524,863</u>	<u>70,524,863</u>	<u>79,772,621</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,637,055</u>	

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Net Assets
Proprietary Funds
December 31, 2008

	Business-type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Major			Total	
	Unified Wastewater District	Public Building Commission	Non-Major Total		
	Total		Total		
ASSETS					
Current assets:					
Deposits including investments	\$ 22,624,104	\$ 9,198,508	\$ 10,370,976	\$ 42,193,588	\$ 39,496,917
Receivables (net of allowance for uncollectibles):	33,258,947	236,050	904,802	34,399,799	88,075
Inventories	113,051	-	-	113,051	-
Prepaid items	-	-	-	-	59,821
Total current assets	55,996,102	9,434,558	11,275,778	76,706,438	39,644,813
Noncurrent assets:					
Restricted cash and investments	20,465,604	37,672,293	-	58,137,897	-
Capital assets:					
Land	655,258	804,966	5,025,178	6,485,402	-
Buildings	54,740,732	133,184,154	14,575,148	202,500,034	-
Improvements other than buildings	147,617,719	135,097	26,110,986	173,863,802	-
Machinery and equipment	247,460,511	-	11,467,543	258,928,054	18,317
Construction in progress	198,688,931	83,935,948	1,774,315	284,399,194	-
Infrastructure	-	-	191,642	191,642	-
Less accumulated depreciation	(308,267,050)	(28,492,679)	(29,079,543)	(365,839,272)	(18,317)
Total capital assets	340,896,101	189,567,486	30,065,269	560,528,856	-
Total noncurrent assets	361,361,705	227,239,779	30,065,269	618,666,753	-
TOTAL ASSETS	417,357,807	236,674,337	41,341,047	695,373,191	39,644,813

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Net Assets
Proprietary Funds
December 31, 2008

	Business-type Activities - Enterprise Funds				Governmental
	Major			Total	Activities-
	Unified Wastewater District	Public Building Commission	Non-Major Total		Internal Service Funds
LIABILITIES					
Current liabilities					
Accounts payable	6,010,046	7,757,150	1,091,826	14,859,022	4,562,468
Salaries and wages payable	530,681	1,774	70,664	603,119	24,974
Interest payable	3,879,354	2,972,346	116,792	6,968,492	-
Loans payable	4,832,405	-	44,843	4,877,248	-
Due to other funds	-	1,637,716	423,134	2,060,850	-
Due to others	-	-	34,004	34,004	-
Deferred revenue	30,160,486	-	2,247,070	32,407,556	-
Compensated absences	93,753	-	14,278	108,031	3,851
Insurance claims payable	-	-	-	-	4,424,288
Bonds, capital leases, and other payables	12,272,476	7,430,000	538,562	20,241,038	-
Total current liabilities	57,779,201	19,798,986	4,581,173	82,159,360	9,015,581
Noncurrent liabilities:					
Compensated absences	1,248,030	-	190,077	1,438,107	51,268
Loans payable	34,294,863	-	107,568	34,402,431	-
Bonds, capital leases, and other payables	191,877,126	144,973,748	4,925,290	341,776,164	-
Total noncurrent liabilities	227,420,019	144,973,748	5,222,935	377,616,702	51,268
TOTAL LIABILITIES	285,199,220	164,772,734	9,804,108	459,776,062	9,066,849
NET ASSETS					
Invested in capital assets, net of related debt	118,084,835	71,901,603	24,449,006	214,435,444	-
Restricted	-	-	-	-	-
Unrestricted	14,073,752	-	7,087,933	21,161,685	30,577,964
TOTAL NET ASSETS	\$ 132,158,587	\$ 71,901,603	\$ 31,536,939	\$ 235,597,129	\$ 30,577,964

Johnson County, Kansas
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	Business-type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Major			Non-Major			
	Unified Wastewater District	Public Building Commission	Total	Total	Total	Total	
Operating revenues:							
Charges for services	\$ 61,825,641	\$ 10,084,842	\$ 2,065,324	\$ 73,975,807	\$ 29,797,400		
Other	238,716	-	4,370,287	4,609,003	133,654		
Total operating revenues	62,064,357	10,084,842	6,435,611	78,584,810	29,931,054		
Operating expenses:							
Public works	42,911,339	-	-	42,911,339	-		
Transportation	-	-	11,807,029	11,807,029	-		
Risk management	-	-	-	-	3,994,343		
Self-insured health care	-	-	-	-	30,488,156		
Depreciation	11,451,057	3,331,081	2,881,361	17,663,499	916		
Total operating expenses	54,362,396	3,331,081	14,688,390	72,381,867	34,483,415		
Operating income (loss)	7,701,961	6,753,761	(8,252,779)	6,202,943	(4,552,361)		
Nonoperating revenues (expenses):							
Taxes	2,126	-	1,823	3,949	2,137		
Investment earnings	2,442,915	1,337,985	30,499	3,811,399	1,720,618		
Intergovernmental	-	-	2,305,394	2,305,394	-		
Interest expense	(10,760,194)	(4,459,410)	(237,658)	(15,457,262)	-		
Other	82,837	(13,645)	19,204	88,396	-		
Total nonoperating revenues (expenses)	(8,232,316)	(3,135,070)	2,119,262	(9,248,124)	1,722,755		
Income (loss) before transfers	(530,355)	3,618,691	(6,133,517)	(3,045,181)	(2,829,606)		
Transfers in	-	1,422,985	4,599,512	6,022,497	-		
Transfers out	(754,093)	-	-	(754,093)	-		
Change in net assets	(1,284,448)	5,041,676	(1,534,005)	2,223,223	(2,829,606)		
Total net assets - beginning	133,443,035	66,859,927	33,070,944	233,373,906	33,407,570		
Total net assets - ending	\$ 132,158,587	\$ 71,901,603	\$ 31,536,939	\$ 235,597,129	\$ 30,577,964		

The accompanying notes are an integral part of these financial statements.

Johnson County, Kansas
Statement of Cash Flows
Proprietary Funds
For the year ended December 31, 2008

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Major		Public		Total		
	Unified Wastewater District	Public Building Commission	Non-Major Total	Total	Total	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:							
Cash received from customers	\$ 61,619,429	\$ 4,840,959	\$ 3,796,936	\$ 70,257,324	\$ 25,685,167		
Cash payments for goods and services	(29,294,959)	-	(9,627,625)	(38,922,584)	(32,285,742)		
Cash payments to employees for services	(13,388,686)	208	(1,842,266)	(15,230,744)	(607,437)		
Other operating cash receipts	238,716	10,084,842	4,268,300	14,591,858	4,245,887		
	<u>19,174,500</u>	<u>14,926,009</u>	<u>(3,404,655)</u>	<u>30,695,854</u>	<u>(2,962,125)</u>		
Net cash provided by (used for) operating activities							
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:							
Taxes	2,126	-	1,823	3,949	2,137		
Intergovernmental	-	-	2,305,394	2,305,394	-		
Transfers from other funds	-	-	4,599,512	4,599,512	-		
Transfers to other funds	(754,093)	-	-	(754,093)	-		
	<u>(751,967)</u>	<u>-</u>	<u>6,906,729</u>	<u>6,154,762</u>	<u>2,137</u>		
Net cash provided by noncapital financing activities							
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:							
Acquisition and construction of capital assets	(36,070,366)	(55,938,047)	(2,418,624)	(94,427,037)	-		
Proceeds from bonds and loans	54,080,000	65,215,000	3,465,000	122,760,000	-		
Principal paid on bonds, notes and loans	(33,832,026)	(7,470,000)	(2,231,493)	(43,533,519)	-		
Interest paid on bonds, notes, leases and loans	(5,234,943)	(4,006,129)	(180,129)	(9,421,201)	-		
	<u>(21,057,335)</u>	<u>(2,199,176)</u>	<u>(1,365,246)</u>	<u>(24,621,757)</u>	<u>-</u>		
Net cash provided by (used for) capital and related financing activities							
CASH FLOWS FROM INVESTING ACTIVITIES:							
Interest and dividends on investments	2,442,915	1,337,985	30,499	3,811,399	1,720,618		
Net cash provided by investing activities	<u>2,442,915</u>	<u>1,337,985</u>	<u>30,499</u>	<u>3,811,399</u>	<u>1,720,618</u>		
Net increase (decrease) in cash and cash equivalents	<u>(191,887)</u>	<u>14,064,818</u>	<u>2,167,327</u>	<u>16,040,258</u>	<u>(1,239,370)</u>		
Cash and cash equivalents at beginning of year	<u>43,281,595</u>	<u>32,805,983</u>	<u>8,203,649</u>	<u>84,291,227</u>	<u>40,736,287</u>		
Cash and cash equivalents at end of year	<u>\$ 43,089,708</u>	<u>\$ 46,870,801</u>	<u>\$ 10,370,976</u>	<u>\$ 100,331,485</u>	<u>\$ 39,496,917</u>		

(Continued)

Johnson County, Kansas
Statement of Cash Flows
Proprietary Funds (Continued)
For the year ended December 31, 2008

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Major			Non-Major			
	Unified Wastewater District	Public Building Commission	Total	Total	Total	Total	
Reconciliation of operating income to net cash provided by (used for) operating activities							
Operating income (loss)	\$ 7,701,961	\$ 6,753,761	\$ (8,252,779)	\$ 6,202,943	\$	\$ (4,552,361)	
Adjustments to reconcile operating income to net cash provided by operating activities:							
Depreciation	11,451,057	3,331,081	2,881,361	17,663,499		916	
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable	(6,115,582)	190,518	155,316	(5,769,748)		(88,075)	
(Increase) in inventory	(11,779)	-	-	(11,779)		-	
Decrease in prepaid expenses	-	-	-	-		(2,948)	
Increase (Decrease) in accounts payable	191,178	4,650,441	341,980	5,183,599		866,006	
Increase (decrease) in salaries and wages payable	(17,806)	208	(4,792)	(22,390)		6,391	
Increase (decrease) in deferred revenue	5,909,370	-	1,474,309	7,383,679		-	
Increase in compensated absences payable	66,101	-	(50)	66,051		9,080	
Increase in insurance claims payable	-	-	-	-		798,866	
Total adjustments	11,472,539	8,172,248	4,848,124	24,492,911		1,590,236	
Net cash provided by (used for) operating activities	\$ 19,174,500	\$ 14,926,009	\$ (3,404,655)	\$ 30,695,854		\$ (2,962,125)	
Deposits including investments	\$ 22,624,104	\$ 9,198,508	\$ 10,370,976	\$ 42,193,588		\$ 39,496,917	
Restricted cash and investments	20,465,604	37,672,293	-	58,137,897		-	
Cash and cash equivalents at the end of year	\$ 43,089,708	\$ 46,870,801	\$ 10,370,976	\$ 100,331,485		\$ 39,496,917	

The accompanying notes are an integral part of these financial statements

Johnson County, Kansas
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008

		<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$	561,324,035
Receivables (net of allowance for uncollectibles):		
Taxes Receivable		398,618,198
Total assets		<u>959,942,233</u>
LIABILITIES		
Accounts payable		148,341
Agency obligations		959,793,892
Total liabilities		<u>959,942,233</u>
NET ASSETS	<u>\$</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

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Notes to the Financial Statements

1. Summary of Significant Accounting Policies

The accompanying financial statements of Johnson County, Kansas (the County) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the standard setting body for government accounting and financial reporting principles. The accounting policies of the County conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The following information summarizes the significant accounting policies of the County.

A. The Reporting Entity

In November 2000, the voters of Johnson County approved the Home Rule Charter, which was developed to restructure the Board of County Commissioners to provide opportunities for County leadership to enhance future growth for the County and its citizens. Prior to January 2003, the Board consisted of five district commissioners and the chair was elected annually from its members on a rotating basis.

On January 16, 2003, the Board was reorganized from five members to seven members with the addition of a Chairman and one additional District Commissioner. The Chairman of the Commission is elected on a countywide basis and serves as a full-time County official. The six District Commissioners serve as part-time County officials and are elected by residents in specific geographical areas, or districts, of the County. The Board meets in regular business session once each week. The Commissioners serve four-year terms with no term limitations.

As required by accounting principles generally accepted in the United States of America, these financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. The County has adopted Statement No. 39, *Determining Whether Certain Organizations are Component Units -- an amendment of GASB Statement No. 14*. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government. The primary government and each blended and discretely presented component unit all have a December 31st year end.

Blended Component Unit

Johnson County Public Building Commission (PBC): The Board of County Commissioners serves as the governing body of the PBC. Although a separate legal entity, the PBC is accounted for as an enterprise fund within the County's financial statements because its purpose is to acquire or construct facilities, and lease those facilities to the County and other governmental agencies. The County performs administrative and accounting services for the PBC.

Discretely Presented Component Unit

Johnson County Park and Recreation District (the District): The District is governed by a seven-member board appointed by the Board of County Commissioners. However, the County is financially accountable for the District because the County's commission approves the District's budget and levies taxes. The District is legally separate from the County. Special legislation was created to provide a mechanism for the provision of park and recreational services to Johnson County through the formation of a Park and Recreation District. Such legislation required that a valid petition be submitted to a vote by the Board of County Commissioners. Once the petition was approved by the Commissioners the District was then mandated to provide park and recreational services as outlined in the Kansas Statute 19-2863. Separately issued financial statements are prepared for the District. The District has governmental and enterprise funds.

The District's financial statements include the Parks and Recreation Foundation of Johnson County (the Foundation) as a blended component unit. Although a separate legal entity, the Foundation is accounted for as an enterprise fund within the District's financial statements because its purpose is to acquire or construct facilities, and lease those facilities to the District or other park agencies.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices:

Public Building Commission
Office of Financial Management
111 South Cherry Street
Olathe, Kansas 66061

Park and Recreation District
7900 Renner Road
Lenexa, Kansas 66218

B. Government-wide and Fund Financial Statements

The government-wide financial statements consist of the statement of net assets and the statement of activities. These statements report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government 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 and indirect expenses that are clearly identifiable of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are allocated based on the annual Countywide Cost Allocation Plan. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions, including special assessments, that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds, which are fiduciary funds, do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual 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. For this purpose, the County considers revenues to be available if they are collected within sixty days of the end of the current fiscal year. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Licenses, interest, special assessments and charges for services and other miscellaneous revenue are all considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period. Property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing fiscal year and consequently are not subject to accrual. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

A double step-down allocation procedure has been used to distribute costs among central services and to other County departments that receive benefits. The double step-down procedure initially requires a sequential ordering of agencies. Department indirect cost allocations are then made in order selected to all benefiting programs, including cross allocations to other central services. To insure that the cross-benefit of services among central services is fully recognized, a second step down allocation for each central service is made.

The accounts of the County are organized and operated on the basis of individual funds, each of which is defined as a separate accounting entity. The operations of each fund are recorded in a set of self-balancing accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. In accordance with state statutes and County resolutions, several different types of funds are used to record the County's financial transactions. For financial reporting, they are grouped and presented as follows:

The County reports the following major governmental funds:

The **General** fund is the principal operating fund of the County and accounts for all financial transactions of the County, except those required to be accounted for in a separate fund.

The **Capital Projects** fund accounts for financial resources to be used for the acquisition or construction of major capital improvements, other than those financed by proprietary funds.

The County reports the following major proprietary funds:

The **Unified Wastewater District** fund provides sanitary sewer service for residential and business properties inside its service area.

The **Public Building Commission** fund accounts for all activities of the Public Building Commission.

Additionally, the County reports the following fund types:

Governmental Fund Types:

The Debt Service fund accumulates resources to pay maturing principal and interest on general long-term debt, including certain special assessments, which are general obligations of the County, excluding the debt which is accounted for in proprietary funds.

Special Revenue funds provide full budgetary accountability for the proceeds of specific revenue sources that are restricted by law or administrative action to be expended for specified purposes.

Proprietary Fund Types:

Enterprise funds account for operations of which it is the stated intent that the cost of providing a service to the public on a continuing basis be financed or recovered primarily through user charges. An example of an enterprise fund within the County is the transportation fund, which operates the bus system available to the public.

Internal Service funds provide the financing of goods or services provided to other departments of the County or to other governments on a cost reimbursement basis. An example of an internal service fund within the County is the self insured health care fund, which is funded through employer and employee contributions and provides health care benefits to County employees.

Fiduciary Fund Types:

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They are used to account for assets held by the County as an agent for individuals, private organizations or other governmental units. Examples of agency funds within the County are the fire district fund and the medical reimbursement fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected to not follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments and charges between the enterprise funds and various government funds for services provided. Elimination of these transactions would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County's enterprise and internal service funds are charges for customer services including: rent, wastewater charges, and public transportation fees. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits and Investments

Cash from all funds except Public Building Commission, and the Park and Recreation District Component Unit, is pooled for the purpose of increasing income through investment activities. Investments, which have a remaining maturity at time of purchase of one year or less, are stated at fair value, which approximates amortized cost. All other investments are stated at fair value as determined by quoted market prices. Investments principally consist of United States Treasury and Agency securities, certificates of deposit, and cash held in money market funds. Investment income is allocated to the designated funds on the basis of the ending monthly cash balance which is contrary to Kansas State Statutes. That investment income which is not allocated is credited to the General Fund. Interest revenue is susceptible to accrual and has been reported within these financial statements. Cash proceeds from the sale of bonds and general obligation notes are maintained separately and invested primarily in Government Money Market funds and United States Treasury and Agency securities.

All banks and savings associations are required to pledge to the County, the PBC and the District an aggregate market value investment in U.S. Treasury obligations, other U.S. Agency obligations and Kansas municipal bonds to provide a minimum of 100% collateralization for all deposits.

Cash and cash equivalents, for purposes of the statement of cash flows, refer to cash on hand, cash in demand accounts at financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and so close to maturity that they present insignificant risk of change in value due to changes in interest rates. Because proprietary funds participate in the County's investment pool, their access is equivalent to cash and cash equivalents.

The District internally pools all investments with the exception of Guaranteed Investment Contracts for bond reserve funds and capital projects funds held in escrow by a trustee. Pooled investments for the District are carried at cost, which approximates fair value, and consist principally of certificates of deposits and funds held with the State of Kansas Municipal Investment Pool.

E. Property Tax Receivable

In accordance with governing state statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing fiscal year. Taxes are assessed on a calendar year basis, and are levied and become a lien on the property on November 1st in the year of assessment. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. On December 31, 2008, such taxes are a lien on the property and are recorded as taxes receivable, net of 2.40% uncollected taxes for the current year tax roll, with a corresponding amount recorded as deferred revenue.

F. Other Taxes and Revenues

Recognized state-shared taxes, such as gas tax or liquor tax, represent payments received during the current fiscal period.

Federal and state grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received. Charges for services are generally susceptible to accrual and are recorded as revenue when earned.

Licenses, fees, fines, forfeitures and other revenues are generally not susceptible to accrual and are recorded when received in cash.

G. Inventories

Inventories for the County and the District are valued at cost using the first-in, first-out method. Governmental funds record inventories based upon the consumption method, which recognizes expenditures when consumed rather than when purchased.

H. Prepaid Items

Prepaid items are those paid out in the current year but which benefit future accounting periods. The County and the District record these items as an asset.

I. Restricted Assets

Certain proceeds of the County and District's bonds are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable contract covenants.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County and the District as assets costing \$10,000 or more and having a useful life of five years or more. Infrastructure assets are defined by the County as assets costing \$100,000 or more and having a useful life of five years. Interest is also included in the capitalization threshold. Capital assets are recorded at cost or estimates of the original cost. Donated assets are recorded at fair value at the date of the gift.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets may be financed from current cash or the cash proceeds received from the sale of general obligation notes, bonds or certificates of participation.

Depreciation of capital assets, including capital leases, is calculated utilizing the straight-line method over the following estimated useful lives:

Buildings and structures	15 to 50 years
Machinery and equipment	5 to 15 years
Infrastructure:	
Roads	15 to 50 years
Bridges	25 to 50 years
Other	5 to 50 years

K. Special Assessments

As required by state statutes, projects financed in whole or in part by special assessments are financed through the issuance of general obligation bonds which are secured by the full faith and credit of the County. Further, state statutes permit levying additional general ad valorem property taxes in the County Debt Service Fund to finance delinquent special assessments receivable. All non-wastewater special assessments receivable are accounted for within the Debt Service Fund. Special assessments related to Wastewater District projects are accounted for in the Wastewater Enterprise Fund.

All special assessment taxes are levied over a ten to twenty year period and the annual installments are due and payable with annual ad valorem property taxes. The County may foreclose liens against property benefited by special assessments when delinquent. On December 31st, the special assessment taxes levied are a lien on the property and are recorded as receivables in the Debt Service Fund with a corresponding amount recorded as deferred revenue. For the Unified Wastewater District, receivables and corresponding revenue are recorded for special assessments.

L. Compensated Absences

The County and the Park and Recreation District (the District) permit full-time and certain part-time employees to accumulate vacation based upon tenure, with most employees limited to a maximum of 24 calendar days. Upon termination or resignation from County or the District service, employees are entitled to payment for their maximum allowable accrued vacation earned prior to termination or resignation.

All full-time and certain part-time employees of the County and the District accrue sick leave at the rate of one calendar day per month for full-time, and one-half day for part-time employees, with no maximum accumulation. Upon separation from service, employees are compensated for 20% of unused sick pay.

Vacation and sick pay are recorded as a liability at 100% of accrued vacation and 20% of accrued sick time for both the County and the District. Accrued vacation and sick pay for the County and the District is calculated using the current salary rate of employees and reflects the

vested portion. In the governmental fund types, the amount of vacation and sick leave benefits included in expenditures for the current year represents the amount liquidated during the year with expendable available resources for both the County and the District. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In proprietary funds within the County and the District, vacation and sick pay benefits are accrued when incurred, and reported as a fund liability/expense.

M. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Fund Equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

O. Reserved and Designated Fund Balances

The fund balances of the governmental fund types include the following reserves and designations which indicate that a portion of fund balance is not appropriable for expenditure or is legally segregated for a specific future use:

- ◆ Reserved for prepaid items is used to segregate a portion of fund balance to indicate that prepaid items do not represent available or spendable resources.
- ◆ Reserved for public safety is used to segregate the portion of fund balance created by the ¼-cent (public safety) sales tax.
- ◆ Reserved for economic development is used to segregate the portion of fund balance created by the ¼-cent (economic development) sales tax.
- ◆ Reserved for encumbrances is used to segregate a portion of fund balance for outstanding encumbrances at year end.
- ◆ Designated for debt service is used to segregate a portion of fund balance for debt service resources restricted to the payment of general long-term debt principal and interest amounts maturing in future years.
- ◆ Designated for working capital in the General Fund is calculated based on current County policy. The actual dollar amount is based on various factors to ensure the County will be able to meet cash flow requirements, to provide contingencies for unpredictable revenue sources, and to meet debt service requirements and debt covenants. It is designed to generate a reserve amount between 10% and 15% of estimated annual General Fund annual budgeted revenues. In the Debt Service Fund working capital is 5% of next year's principal and interest payments.
- ◆ Designated for restricted agencies is used to segregate a portion of fund balance designated for funding various activities.

Johnson County General Fund		
Designated Fund Balance at December 31, 2008		
For Working Capital	\$	15,781,297
For Restricted Agencies		3,075,830
Total	\$	18,857,127

P. Prior Year Data/Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Q. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenditures, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The County is required by state statutes to adopt annual budgets for the General Fund, Special Revenue funds (except Register of Deeds Technology, Library Gift, and Equipment Reserve), Debt Service Fund, Enterprise funds (except PBC) and Internal Service funds (except Self-Insured Health Care).

The District is required by state statute to adopt annual budgets for the General Fund, Employee Benefit Fund and the General Obligation Bond Retirement Fund. A statutory budget is also required for the District's Enterprise fund.

The statutes provide for the following sequence and timetable in the adoption of the legal annual Capital and Operating Budget (the budget) for both the County and the District:

1. Preparation of the preliminary budget for the succeeding calendar year on or before July 1st.
2. Publication of the proposed budget in local newspaper and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

State statutes provide that the County and the District may not legally exceed the aggregate total of budgeted expenditures in any individual fund. The legal level of budgetary control is the aggregate total at the fund level. The County Manager, without approval of the governing body, may approve transfers between individual expenditure classifications (e.g. General Government, Public Safety). No increase in total expenditure authority for a fund may be made, except through the public hearing process described below.

State statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The County and the District must first hold a public hearing to amend the budget. The governing body may amend the budget at the time of the public hearing.

All legal operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. For budgetary purposes, revenues are recognized when the revenues are both measurable and available to finance expenditures of the current fiscal period. Changes in fair value of investments are recorded for GAAP basis but not for budgetary basis. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Encumbrances outstanding at year end are reported as reservations of fund balances for governmental funds and do not constitute expenditures or liabilities because the commitments will be honored in the subsequent year. Unencumbered appropriations lapse at the end of the year. Inventory is recorded as an asset for governmental fund types for GAAP basis but not for budgetary basis.

A reconciliation of revenues and expenditures/expenses under GAAP to budgeted revenues and expenditures/expenses for the Primary Government is as follows:

Reconciliation of Fund Balance	
Budgetary Basis to GAAP Basis	
for Primary Government	
Fund balance, budgetary basis	\$ 83,637,055
Investments change in fair value	3,933,712
Current Year Encumbrances	2,122,770
Inventory	619,557
GAAP Contractual	(151,884)
GAAP Interfund Transfers Out	1,637,716
Fund balance, GAAP basis	<u>\$ 91,798,926</u>

3. Deposits and Investments

The County has adopted a formal investment policy. The primary objectives for investments are (in order of priority) preservation of capital and protection of principal, security of County funds and investments, maintenance of sufficient liquidity to meet operating needs, diversification of investments to avoid unreasonable or avoidable risks, and maximization of return on the investments. All available funds shall be invested in conformance with legal and administrative guidelines at the highest rates obtainable at the time of investment. Investments shall be managed in a manner responsive to the public trust and consistent with state and local law.

State statutes authorize the County to invest in United States Treasury and Agency securities, collateralized public deposits, and the State of Kansas Municipal Investment Pool, certain money market securities and funds, and investment agreements with financial institutions. The County's cash manager will apply the "prudent investor" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

State statutes authorize the District to invest in collateralized public deposits, United States Treasury, and State of Kansas Municipal Investment Pool. Restricted assets for the District consist of investments held by the trustee for future qualified capital expenditures and bond reserve funds.

As of December 31, 2008, the County had the following investments:

Primary Government				
Schedule of Investments at December 31, 2008				
	Interest Rates	Maturities	Par Value	Fair Value
County Investments:				
Money Market Mutual Funds	0.83-1.03%	On demand	\$ 463,854,188	\$ 463,854,188
Certificate of Deposit			-	-
Kansas Municipal Investment Pool			6,965	6,965
Municipal Bonds (Wichita)	3.00%	02/19/2009	1,800,000	1,797,275
Federal Agency Issues - Coupon:				
Federal Farm Credit Bank	1.58-5.12%	04/15/2009-07/23/2012	34,000,000	35,536,610
Federal Home Loan Bank	0.20-6.34%	01/08/2009-11/19/2012	275,230,000	279,966,403
Federal Home Loan Mtge Corp	2.49-5.52%	01/12/2009-06/04/2012	64,979,000	66,019,066
Federal National Mtge Association	2.00-5.86%	03/06/2009-10/24/2012	68,035,000	69,412,781
Total County Investments			\$ 907,905,153	916,593,288
Funds held with Trustee (Restricted for Refunded Debt):				
Debt securities:				
U.S. Government				-
Accrued Interest (held with Trustee)				301,356
Total Investments				\$ 916,894,644

The maturities of the County's investments as of December 31, 2008, were classified as shown below:

Primary Government			
Schedule of Investments at December 31, 2008			
	Investment Maturities in Years		
	Fair Value	Less than 1	1-5
Money Market Mutual Funds	\$ 463,861,153	\$ 463,861,153	-
Municipal Bonds (Wichita)	1,797,275	1,797,275	-
Federal Agency Issues - Coupon			
Federal Farm Credit Bank	35,536,610	11,235,076	24,301,534
Federal Home Loan Bank	279,966,403	93,799,096	186,167,307
Federal Home Loan Mtge Corp	66,019,066	9,070,587	56,948,479
Federal National Mtge Corp	69,412,781	6,656,406	62,756,375
Total County Investments	\$ 916,593,288	\$ 586,419,593	\$ 330,173,695

The District has investments held in the State Municipal Investment Pool, in various Guaranteed Investment Contracts, in U.S. Treasury Bonds, and in a Security Bank of Kansas City Money Market Investment. The State Treasurer operates the municipal investment pool. This pool is not a Security

Exchange Commission (SEC) registered pool. The pool's fair value, listed below, is the same as the value of the pool shares. The Pooled Money Investment Board provides regulatory oversight for this pool.

Restricted Investments for the District are held by the Trustee in various Guaranteed Investment Contracts and Money Market Investments for bond reserves and future capital expenditures. These investments are authorized by the bond covenants. The District had the following investments as of December 31, 2008:

Component Unit					
Schedule of Investments at December 31, 2008					
	Rating	Interest Rates	Maturities	Par Value	Fair Value
District Investments:					
Kansas Municipal Investment Pool	AAAf/S1	N/A	Current-180 days	\$ 6,448,144	\$ 6,448,144
Guaranteed Investment Contracts:					
FSA Capital Management Service	N/A	N/A	2/1/2021	525,000	525,000
First Union National Bank	N/A	N/A	9/1/2018	93,867	93,867
U.S. Treasury Bond	N/A	N/A	8/15/2015	478,372	478,372
SBKC Money Market Investment	AAAm	N/A	Current	3,333,348	3,333,348
Federated Treasury Obligation Fund	N/A	N/A	Current	-	-
				\$ 10,878,731	\$ 10,878,731

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater is the sensitivity of its fair value to changes in market interest rates. As a means to limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits its investment operating portfolio to maturities with a weighted average of less than eighteen months and its long-term portfolio to maturities with a weighted average of less than three years. As of December 31, 2008, the County's combined weighted average of all investments is 334 days.

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to the government. Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government and are held by the counterparty or the counterparty's trust department but not in the government's name. All deposits were fully insured by the Federal Deposit Insurance Corporation (F.D.I.C.), or fully collateralized by collateral held by the County or its agents in the County's name. The County's investment policies and procedures state that all investments shall be held in the name of the Johnson County Treasurer but the County does not currently have an investment policy that addresses custodial credit risk.

All deposits were fully insured by the Federal Deposit Insurance Corporation (F.D.I.C.), or fully collateralized by collateral held by the District or its agents in the District's name. All investments are held by the District in the District or its agent's name.

Credit Risk. As of December 31, 2008, County funds not held in depository accounts had been invested in certificates of deposits, Government money market funds, the state municipal investment

pool, U.S. Treasury notes and the following Government Sponsored Enterprise (GSE) Notes, City of Wichita Municipal Bonds, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association Notes. The City of Wichita Municipal Bonds are rated MIG1 by Moody's Investor Service and SP1 by Standard & Poor's. All other GSE Notes are rated AAA by Moody's Investor Service. Government money market mutual funds are primarily invested in the above mentioned GSE's and repurchase agreements collateralized with GSE's. The Municipal Investment Pool Portfolio is rated AAAs/S1+ by Standard & Poor's.

The District limits investments to those permitted by State Statute or bond covenants and has no formal investment policy that would further limit its investment choices.

Concentration of Credit Risk. At December 31, 2008, of total cash and investments, the County invested 20% in coupons, 4% in discount notes and 20% in callable notes. Investment policy permits up to 80% to be invested in coupons and 20% in callable notes at any given point in time, and up to 65% in discount notes during peak tax collection periods (from December 10th through January 20th and from June 10th through July 20th each year) and 50% the remainder of the year. The policy also permits up to 25% to be invested in money markets, 10% in the Kansas Municipal Investment Pool and 100% in demand deposits, certificates of deposits and treasury notes. The District places no limit on the amount that is invested with any one issuer.

The following is a breakdown of the County's cash by fund type:

Reconciliation of Primary Government Cash			
	Deposits Including Investments	Restricted Cash and Investments	Total
Government-type activities	\$ 260,151,797	\$ -	\$ 260,151,797
Business-type activities	42,193,588	58,137,897	100,331,485
Agency funds	561,324,035	-	561,324,035
Total	\$ 863,669,420	\$ 58,137,897	\$ 921,807,317

The following is a breakdown of the County's investments by issuer:

Issuer	Par value	Market Value
Fidelity	\$ 164,734,877	\$ 164,734,877
Merril Lynch	100,047,451	100,047,451
JP Morgan	99,041,170	99,041,170
Federated	100,030,690	100,030,690
SMP 16	6,965	6,965
Municipal Bonds (Wichita)	1,800,000	1,797,275
Federal Farm Credit Bank	34,000,000	35,536,610
Federal Home Loan Bank	275,230,000	279,966,403
Federal Home Loan Mortgage Corporation	64,979,000	66,019,066
Federal National Mortgage Association	68,035,000	69,412,781
Total	\$ 907,905,153	\$ 916,593,288

At year-end, a reconciliation of deposits and investments is as follows:

Reconciliation of Deposits and Investments		
	Primary Government	Component Unit
Cash on hand	\$ 39,305	\$ -
Carrying amount of deposits	4,873,368	3,630,401
Carrying amount of investments	916,894,644	10,878,731
Total deposits and investments	<u>\$ 921,807,317</u>	<u>\$ 14,509,132</u>
Deposits including investments	\$ 863,669,420	\$ 10,568,924
Restricted cash and investments	58,137,897	3,940,208
Total deposits and investments	<u>\$ 921,807,317</u>	<u>\$ 14,509,132</u>

A breakdown of the Park and Recreation District's cash by fund type is below:

Reconciliation of Component Unit Cash			
	Governmental Activities	Business-type Activities	Total
Deposits including investments	\$ 7,667,891	\$ 2,901,033	\$ 10,568,924
Restricted cash and investments	2,617,819	1,322,389	3,940,208
Total	\$ 10,285,710	\$ 4,223,422	\$ 14,509,132

4. Receivables

Receivables are comprised of the following as of December 31, 2008:

Accounts Receivable Fiscal Year 2008						
	Taxes Receivable	Accounts Receivable	Grant Receivable	Interest Receivable	Special Assessment Receivable	Total
Governmental Activities	\$ 174,840,111	\$ 8,443,237	\$ 2,532,709	\$ 5,206,575	\$ 7,071	\$ 191,029,703
Business Type Activities	-	32,617,339	443,831	422,597	916,032	34,399,799
	<u>\$ 174,840,111</u>	<u>\$ 41,060,576</u>	<u>\$ 2,976,540</u>	<u>\$ 5,629,172</u>	<u>\$ 923,103</u>	<u>\$ 225,429,502</u>

5. Capital Assets

The accompanying government-wide financial statements include those infrastructure assets that were either completed during the fiscal year or considered construction in progress at year-end.

The following is the detail of capital assets as of December 31, 2008:

Primary Government

	December 31,		December 31,	
	2007	Increases	Decreases	2008
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 20,278,882	\$ -	\$ -	\$ 20,278,882
Construction in progress	22,681,239	17,019,249	(2,928,950)	36,771,538
Total capital assets, not being depreciated	42,960,121	17,019,249	(2,928,950)	57,050,420
Capital assets, being depreciated				
Buildings	90,629,203	856,519	-	91,485,722
Improvements other than buildings	2,125,167	1,841,675	-	3,966,842
Machinery and Equipment	29,733,505	3,442,210	(1,638,616)	31,537,099
Infrastructure	79,945,498	353,705	-	80,299,203
Total capital assets being depreciated	202,433,373	6,494,109	(1,638,616)	207,288,866
Less accumulated depreciation for:				
Buildings	(38,464,723)	(2,016,343)	-	(40,481,066)
Improvements other than buildings	(1,199,205)	(87,635)	-	(1,286,840)
Machinery and Equipment	(23,586,363)	(2,200,044)	1,628,542	(24,157,865)
Infrastructure	(30,216,205)	(3,519,615)	-	(33,735,820)
Total accumulated depreciation	(93,466,496)	(7,823,637)	1,628,542	(99,661,591)
Total capital assets, being depreciated, net	108,966,877	(1,329,528)	(10,074)	107,627,275
Governmental activities capital assets, net	\$ 151,926,998	\$ 15,689,721	\$ (2,939,024)	\$ 164,677,695

	December 31,		December 31,	
	2007	Increases	Decreases	2008
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 6,055,402	\$ 430,000	\$ -	\$ 6,485,402
Construction in progress	201,911,153	91,821,203	(9,333,162)	284,399,194
Total capital assets, not being depreciated	207,966,555	92,251,203	(9,333,162)	290,884,596
Capital assets, being depreciated				
Buildings	202,328,714	171,320	-	202,500,034
Improvements other than buildings	164,686,089	9,177,713	-	173,863,802
Machinery and Equipment	258,085,307	899,943	(57,197)	258,928,053
Infrastructure	191,641	1	-	191,642
Total capital assets being depreciated	625,291,751	10,248,977	(57,197)	635,483,531
Less accumulated depreciation for:				
Buildings	(63,214,662)	(5,113,445)	-	(68,328,107)
Improvements other than buildings	(65,370,012)	(7,972,952)	-	(73,342,964)
Machinery and Equipment	(219,618,749)	(4,567,522)	57,197	(224,129,074)
Infrastructure	(29,545)	(9,582)	-	(39,127)
Total accumulated depreciation	(348,232,968)	(17,663,501)	57,197	(365,839,272)
Total capital assets being depreciated, net	277,058,783	(7,414,524)	-	269,644,259
Business-type activities capital assets, net	\$ 485,025,338	\$ 84,836,679	\$ (9,333,162)	\$ 560,528,856

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General Government	\$ 861,493
Public Works	4,120,050
Public Safety	1,336,398
Health and Welfare	549,890
Planning and Economic Development	25,449
Culture and Recreation	<u>930,357</u>
Total depreciation expense for governmental activities	<u>\$ 7,823,637</u>

Business-type activities	
Airport Fund	\$ 1,626,697
Public Building Commission Fund	3,331,081
Transportation Fund	1,254,665
Unified Wastewater District Fund	<u>11,451,058</u>
Total depreciation expense for business-type activities	<u>\$ 17,663,501</u>

Discretely presented component unit

A summary of changes in governmental activities and business-type activities capital assets follows:

	December 31,		December 31,	
	2007	Increases	Decreases	2008
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 48,576,741	\$ 538,484	\$ -	\$ 49,115,225
Construction in progress	5,620,640	4,689,356	-	10,309,996
Total capital assets, not being depreciated	<u>54,197,381</u>	<u>5,227,840</u>	<u>-</u>	<u>59,425,221</u>
Capital assets, being depreciated				
Buildings	12,577,856	18,245	-	12,596,101
Improvements other than buildings	23,026,890	102,510	-	23,129,400
Machinery and Equipment	2,768,655	207,401	(27,047)	2,949,009
Infrastructure	<u>10,902</u>	<u>-</u>	<u>-</u>	<u>10,902</u>
Total capital assets being depreciated	<u>38,384,303</u>	<u>328,156</u>	<u>(27,047)</u>	<u>38,685,412</u>
Less: accumulated depreciation for:				
Buildings	(2,201,893)	(318,034)	-	(2,519,927)
Improvements other than buildings	(9,639,473)	(940,332)	-	(10,579,805)
Machinery and Equipment	(2,032,972)	(192,897)	27,047	(2,198,822)
Infrastructure	<u>(10,902)</u>	<u>-</u>	<u>-</u>	<u>(10,902)</u>
Total accumulated depreciation	<u>(13,885,240)</u>	<u>(1,451,263)</u>	<u>27,047</u>	<u>(15,309,456)</u>
Total capital assets, being depreciated, net	<u>24,499,063</u>	<u>(1,123,107)</u>	<u>-</u>	<u>23,375,956</u>
Governmental activities capital assets, net	<u>\$ 78,696,444</u>	<u>\$ 4,104,733</u>	<u>\$ -</u>	<u>\$ 82,801,177</u>

	December 31,		December 31,	
	2007	Increases	Decreases	2008
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 4,240,976	\$ -	\$ -	\$ 4,240,976
Construction in progress	39,475	2,967	-	42,442
Total capital assets, not being depreciated	4,280,451	2,967	-	4,283,418
Capital assets, being depreciated				
Buildings	7,219,173	-	-	7,219,173
Improvements other than buildings	9,298,861	14,168	-	9,313,029
Machinery and Equipment	2,885,104	17,104	-	2,902,208
Total capital assets being depreciated	19,403,138	31,272	-	19,434,410
Less accumulated depreciation for:				
Buildings	(2,490,987)	(176,819)	-	(2,667,806)
Improvements other than buildings	(6,880,153)	(395,538)	-	(7,275,691)
Machinery and Equipment	(2,446,446)	(98,582)	-	(2,545,028)
Total accumulated depreciation	(11,817,586)	(670,939)	-	(12,488,525)
Total capital assets being depreciated, net	7,585,552	(639,667)	-	6,945,885
Business-type activities capital assets, net	\$ 11,866,003	\$ (636,700)	\$ -	\$ 11,229,303

Depreciation expense in the amount of \$1,451,263 for the component unit's governmental activities was charged to culture and recreation.

6. Interfund Balances and Transfers

Interfund balances occur when one fund incurs expenses for another fund. For 2008, the Public Building Commission owes the General Fund for certain expenses, and the Airport owes the General Fund for money advanced to purchase land and associated property. Amounts due to and from other funds as of December 31, 2008 are as follows:

An interfund transfer is a movement of monies from one fund to another for current purposes. Frequently it involves the transfer of money from the fund authorized to raise the money to the fund authorized to spend it.

Interfund Balances at December 31, 2008		
	Due to Other Funds	Due from Other Funds
Major Funds		
General Fund	\$ -	\$ 2,060,850
Public Building Commission	1,637,716	-
Non-Major Enterprise Funds		
Airport	423,134	-
Total	\$ 2,060,850	\$ 2,060,850

Interfund operating transfers for the year ended December 31, 2008, are as follows:

Interfund Transfers:								
	General Fund	Capital Projects Fund	Unified Wastewater District	Public Building Commission	Non-Major Governmental Funds	Non-Major Enterprise Funds	Non-Major Internal Service Funds	Total Transfers Out
Transfer From								
General Fund	\$ -	\$ 9,646,433	\$ -	\$ -	\$ 2,826,602	\$ 4,599,512	\$ -	\$ 17,072,547
Capital Projects Fund	101,425	-	-	370,437	60,773	-	-	532,635
Unified Wastewater District	754,093	-	-	-	-	-	-	754,093
Public Building Commission	-	-	-	-	-	-	-	-
Non-Major Governmental Funds	486,145	32,109,940	-	1,052,548	3,155,395	-	-	36,804,028
Non-Major Enterprise Funds	-	-	-	-	-	-	-	-
Non-Major Internal Funds	-	-	-	-	-	-	-	-
Total Transfers In	\$ 1,341,663	\$ 41,756,373	\$ -	\$ 1,422,985	\$ 6,042,770	\$ 4,599,512	\$ -	\$ 55,163,303

Transfers from the General Fund and non-major governmental funds were primarily to the Capital Projects Fund to fund capital projects as budgeted. The General Fund also transferred operating subsidies to the Transportation (a non-major enterprise) fund. Transfers from the Capital Projects fund to the General Fund were for unexpended funds at the end of a capital project. Funds were also transferred from the General fund to the non-major governmental fund for equipment reserves.

Transfers from a major enterprise fund, the Unified Wastewater, were to reimburse the General fund for various costs. Transfers from non-major governmental funds were primarily to the Capital Projects fund for budgeted capital projects and to the non-major governmental funds to provide budgeted revenue for debt service, and to reimburse the General Fund for various costs.

Transfers for the government-wide Statement of Activities for the year ended December 31, 2008 have been summarized below:

Transfer From	Transfers
Governmental activities to Business-type activities	
General to Non-Major Enterprise	\$ 4,599,512
Capital Projects to Public Building Commission	370,437
Non-Major Governmental to Public Building Commission	1,052,548
Business-type activities to Governmental activities	
Unified Wastewater to General	(754,093)
Total Transfers - Statement of Activities	\$ 5,268,404

7. Assets under Capital Leases

The County and the Park and Recreation District have entered into various leases for land, buildings, equipment and vehicles, which have bargain purchase options and have been classified in the financial statements as capital leases. The following table details property under capital leases by major classification at December 31, 2008:

Assets Under Capital Lease		
	Governmental Activities	Component Unit
Machinery and equipment	\$ 36,575	\$ 454,568
Less accumulated depreciation	(7,925)	(149,054)
Total	\$ 28,650	\$ 305,514

8. Debt

A. Governmental Activities Long-Term Debt

1. Changes in Governmental Activities Long-Term Debt

The following table summarizes the changes in governmental activities long-term debt of the County for the year ended December 31, 2008:

Summary of Governmental Activities Debt for the year ended December 31, 2008					
Primary Government	Outstanding	Additions	Reductions	Outstanding	Due Within One Year
	January 1			December 31	
Bonds:					
General obligation	\$ 10,767,551	\$ -	\$ 2,219,211	\$ 8,548,340	\$ 2,272,494
Plus: bond premium	5,605	12,586	1,716	16,475	-
Less: deferred amounts	-	(20,874)	(2,319)	(18,555)	-
Special obligation	18,160,000	1,410,000	7,165,000	12,405,000	1,570,000
Special assessment	26,346	-	7,873	18,473	7,873
Compensated absences	15,855,752	2,315,823	1,112,222	17,059,353	1,191,968
Other post employment benefits	5,675,022	1,091,296	-	6,766,318	3,651,500
Capital lease obligations	49,377	-	21,564	27,813	9,479
Total	\$ 50,539,653	\$ 4,808,831	\$ 10,525,267	\$ 44,823,217	\$ 8,703,314

For the governmental activities, claims and judgments and compensated absences are generally liquidated by the general fund.

2. Governmental Activities General and Special Obligation Bonds

At December 31, 2008, governmental activities general and special obligation bonds consist of the following:

Outstanding Governmental Activities General and Special Obligation Bonds as of December 31, 2008				
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
Primary Government				
1998B Library	\$ 1,890,000	\$ 890,000	3.800-4.600%	16
1999A	7,572,376	754,760	4.500-5.500%	20
2001B Library	3,390,000	2,365,000	4.300-5.000%	20
2001C	300,000	78,000	2.500-4.150%	10
2002A	3,877,979	1,630,580	5.000-5.250%	10
2002B	10,415,000	4,495,000	2.250-3.700%	10
2002C	8,600,000	3,435,000	2.000-3.800%	11
2003A	985,000	485,000	1.000-3.800%	10
2004B	4,445,000	4,445,000	3.125-4.000%	15
2005A	1,245,000	1,105,000	4.000-4.750%	20
2008C	1,410,000	1,270,000	3.000-3.875%	10
Total	\$ 44,130,355	\$ 20,953,340		

On April 8, 2008, the County issued \$1,410,000 of Library Improvement Refunding Bonds, Series 2008C, to current refund \$1,400,000 of outstanding Series 1997B Bonds with interest rates ranging from 4.75% to 5.10%. The Series 2008C Bonds mature in 2017 and have interest rates ranging from 3.00% to 3.875%.

The Series 2008C Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$80,985 and a reduction of \$92,056 in the net future value debt service payments for the County over the next 10 years.

On October 1, 2004, the County issued 2004B Special Obligation Library Improvement Refunding Bonds for \$4,445,000 to refund the September 1, 2009 through the September 1, 2019 maturities of the 1999B Library Improvement Bonds, dated December 1, 1999. The refunding will be accomplished by means of a “crossover” refunding mechanism. The proceeds of the 2004B bonds established a trust account with an escrow agent to provide for current debt service on the 2004B Library Refunding bonds through the time of redemption, which was September 1, 2008, and the principal amount due, as of the first call date of September 1, 2008, of all the callable maturities of the Series 1999B Library bonds. The bonds mature in 2019, and have interest rates ranging from 3.125% to 4.0%.

Remaining debt service requirements for general and special obligation bonds will be paid from the Debt Service Fund of the Primary Government with future property tax revenues.

Annual debt service requirements to maturity for governmental activities general and special obligation bonds are as follows:

Debt Service Requirements Governmental Activities for General and Special Obligation Bonds			
Primary Government	Principal	Interest	Total
2009	\$ 3,842,494	\$ 824,818	\$ 4,667,312
2010	3,247,456	678,557	3,926,013
2011	3,308,628	558,803	3,867,431
2012	3,349,760	432,265	3,782,025
2013	1,415,000	300,266	1,715,266
2014-2018	4,255,002	872,366	5,127,368
2019-2023	1,360,000	151,369	1,511,369
2024-2028	175,000	12,588	187,588
Total	\$ 20,953,340	\$ 3,831,032	\$ 24,784,372

3. Governmental Activities Special Assessment Bonds

As explained in Note 1.K., Summary of Significant Accounting Policies, the County has made a commitment to pay special assessment bonds in the event less than sufficient revenues are collected for the required debt service. At December 31, 2008, governmental activities special assessment bonds outstanding consist of the following:

Outstanding Governmental Activities				
Outstanding Special Assessment Bonds as of December 31, 2008				
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
1999A	\$ 25,733	\$ 2,573	4.50-5.00%	10
2001C	63,000	15,900	2.75-4.75%	10
Total	\$ 88,733	\$ 18,473		

Remaining debt service requirements for special assessment bonds with governmental commitment will be paid from the Debt Service Fund with future special assessment tax revenues.

Annual debt service requirements to maturity for governmental activities special assessment bonds are as follows:

Debt Service Requirements Governmental Activities for Special Assessment Bonds				
	Principal	Interest	Total	
2009	\$ 7,873	\$ 713	\$ 8,586	
2010	5,300	392	5,692	
2011	5,300	199	5,499	
Total	\$ 18,473	\$ 1,304	\$ 19,777	

4. Capital Leases

As explained in Note 7, the County has entered into various capital leases for assets. The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2008 were as follows:

Future Minimum Lease Payments	
Year Ending December 31:	Governmental Activities
2009	\$ 8,412
2010	8,412
2011	8,412
2012	5,608
Total minimum lease payments	30,844
Less amounts representing interest	3,031
Present value of minimum lease payments	\$ 27,813

5. Debt Margin

The County has an available debt margin of \$681,438,374 as of December 31, 2008.

B. Business-Type Activities Debt

1. Changes in Business-Type Activities Debt

The following table summarizes the changes in business-type activities debt of the County for the year ended December 31, 2008:

Summary of Business-Type Activities Debt for the year ended December 31, 2008					
	Outstanding January 1	Additions	Reductions	Outstanding December 31	Due Within One Year
Primary Government					
General obligation bonds:					
Wastewater	\$ 176,560,535	\$ 53,605,000	\$ 28,592,810	\$ 201,572,725	\$ 11,783,092
Plus: bond premium	1,609,575	1,220,162	257,694	2,572,043	-
Less: deferred amounts					
For issuance discounts	-	(41,032)	(170)	(40,862)	-
On refundings	(1,032,702)	(191,793)	(255,920)	(968,575)	-
Airport	4,115,568	3,465,000	2,187,977	5,392,591	538,562
Plus: bond premium	-	96,061	7,343	88,718	-
Less: deferred amounts	-	(19,432)	(1,975)	(17,457)	-
Special assessment bonds:					
Wastewater	689,993	475,000	562,126	602,867	77,980
Revenue bonds:					
PBC	95,005,000	65,215,000	7,470,000	152,750,000	7,430,000
Plus: bond premium	314,758	248,662	27,175	536,245	-
Less deferred amounts:					
For issuance discounts	(316,630)	(66,544)	(21,955)	(361,219)	-
On refundings	(595,861)	(16,778)	(91,361)	(521,278)	-
Compensated absences	1,480,087	66,051	-	1,546,138	108,031
Retainages payable	435,704	69,600	93,900	411,404	411,404
Long-term loans:					
Wastewater	43,804,355	-	4,677,087	39,127,268	4,832,405
Airport	195,927	-	43,516	152,411	44,843
Total	\$ 322,266,309	\$ 124,124,957	\$ 43,548,247	\$ 402,843,019	\$ 25,226,317

2. Business-Type Activities General Obligation Bonds

At December 31, 2008, business-type activities general obligation bonds consist of the following:

Outstanding Business-Type Activities General Obligation Bonds as of December 31, 2008					
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years	
2001A Wastewater	\$ 15,000,000	\$ 10,460,000	4.250-4.875%	20	
2001C Wastewater	5,755,000	4,180,000	2.500-5.050%	20	
2002A Wastewater	36,126,997	15,190,370	5.000-5.250%	10	
2002B Wastewater	4,038,658	3,072,353	2.250-4.800%	20	
2003A Wastewater	3,900,000	3,130,000	1.000-4.750%	20	
2004A Wastewater	14,410,000	12,120,000	3.000-5.000%	20	
2005A Wastewater	44,935,000	39,815,000	4.000-4.750%	20	
2007A Wastewater	42,220,000	38,540,000	4.000-5.000%	20	
2007B Wastewater	24,590,000	24,590,000	4.000-4.750%	20	
2008A Wastewater	26,585,000	26,585,000	4.000-5.000%	20	
2008B Wastewater	16,595,000	13,465,000	4.000-5.000%	10	
2008D Wastewater	10,425,000	10,425,000	4.000-5.000%	20	
1999A Airport	410,000	129,375	4.500-5.500%	20	
2001A Airport	1,175,000	230,000	4.250-4.375%	10	
2001C Airport	192,000	56,100	2.500-4.150%	10	
2002A Airport	123,951	52,117	5.000-5.250%	10	
2002B Airport	355,000	140,000	2.250-3.700%	10	
2003B Airport	2,070,000	1,440,000	1.000-4.250%	14	
2008A Airport	1,960,000	1,960,000	4.000-5.000%	20	
2008B Airport	1,505,000	1,385,000	4.000-5.000%	10	
Total	\$ 252,371,606	\$ 206,965,316			

On May 1, 2008, the County issued Series 2008A General Obligation Improvement Bonds for \$28,545,000 to finance certain wastewater improvements to the Unified Wastewater District and Airport improvements. These bonds mature in 2028 and have interest rates ranging from 4.0% to 5.0%. The bond premium for the Series 2008A issue was recorded in the amount of \$460,598 and is being amortized to interest expense through 2028. As of December 31, 2008, the remaining balance of the bond premium is \$445,245.

On May 1, 2008 the County issued \$18,575,000 of Internal Improvement Refunding Bonds, Series 2008B, to current refund \$360,000 of outstanding Series 1996 Airport Bonds with interest rates ranging from 4.80% to 5.00% and \$495,000 of outstanding Series 1996 Wastewater Special Assessment Bonds with interest rates ranging from 4.80% to 5.00%, and \$1,200,000 of Series 1997A Airport Bonds with interest rates ranging from 4.65% to 5.00%, and \$17,265,000 of outstanding Series 1998A Internal Improvement Bonds with interest rates ranging from 4.125% to 4.40%. The Series 2008B Bonds mature in 2017 and have interest rates ranging from 4.00% to 5.00%. The bond premium for the Series 2008B issue was recorded in the amount of \$855,625 and is being amortized to interest expense through 2017. As of December 31, 2008, the remaining balance of the bond premium is \$692,127.

The refunding of the Series 1996 Airport, 1996 Wastewater, 1997A Internal Improvement, 1998A Internal Improvement and the Series 1997B Library Bonds qualify as a "current" refunding under the Internal Revenue Code as the Bonds refunded will be called within 90 days of their call dates. The current refunded bonds are considered defeased and the liability for these bonds has been removed from the financial statements.

The Series 2008B Refunding Bonds resulted in an economic gain (the difference between the present value of the old and the new debt service payments) of \$668,023 and a reduction of \$731,724 in the net future value debt service payments for the County over the next 10 years.

On November 1, 2008, the County issued \$10,425,000 of Internal Improvement Bonds, Series 2008D, to finance certain wastewater improvements to the Unified Wastewater District. These bonds mature in 2028, and have interest rates ranging from 4.0% to 5.0%. The bond discount for the Series 2008D issue was recorded in the amount of \$41,032, and is being amortized to interest expense through 2028. As of December 31, 2008, the remaining balance of the bond discount is \$40,861.

The County issued debt for various wastewater improvements in 1992 and this debt was refunded partially in 1998 and the balance in 2002. Additionally, the County issued debt for various wastewater and airport improvements in 1996, 1997, and 1998 and this debt was refunded in 2008. The deferred refundings for \$968,575 for Wastewater and \$17,457 for Airport as of December 31, 2008, are the difference between the reacquisition price and the net carrying amount of the old debt and are being amortized to interest expense annually.

Remaining debt service requirements for general obligation wastewater bonds will be paid from the Unified Wastewater District Enterprise Fund with revenues from equivalent dwelling unit (EDU) charges and connection fees. EDU charges are placed on property tax rolls and collected in the same manner as property taxes. Remaining debt service requirements for general obligation airport bonds will be paid from the Airport Enterprise Fund with revenues from operations or from taxes.

Annual debt service requirements to maturity for business-type activities general obligation bonds are as follows:

Debt Service Requirements for Business-Type Activities General Obligation Bonds			
	Principal	Interest	Total
2009	\$ 12,321,654	\$ 9,645,673	\$ 21,967,327
2010	12,818,302	8,766,929	21,585,231
2011	13,181,154	8,180,659	21,361,813
2012	13,639,300	7,572,636	21,211,936
2013	9,113,416	6,941,574	16,054,990
2014-2018	50,550,874	28,545,068	79,095,942
2019-2023	56,110,617	16,629,930	72,740,547
2024-2028	39,229,999	4,465,704	43,695,703
2029-2033	-	-	-
Total	\$ 206,965,316	\$ 90,748,173	\$ 297,713,489

3. Business-Type Activities Special Assessment Bonds

As explained in Note 1. K., Summary of Significant Accounting Policies, the County has made a commitment to pay special assessment bonds in the event less than sufficient revenues are collected for the required debt service. At December 31, 2008, Wastewater special assessment bonds consist of the following:

Outstanding Wastewater Special Assessment Bonds as of December 31, 2008				
	Original Issue Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
1991B	\$ 272,773	\$ 15,000	5.40-6.00%	20
1999A	96,891	53,287	4.50-5.50%	20
2002A	171,073	71,933	5.00-5.25%	10
2002B	36,342	27,647	2.25-4.80%	20
2008B	475,000	435,000	2.25-3.55%	8
Total	\$ 1,052,079	\$ 602,867		

Remaining debt service requirements for wastewater special assessment bonds with governmental commitment will be paid from the Wastewater Enterprise Fund with future special assessments.

Annual debt service requirements to maturity for wastewater special assessment bonds outstanding at December 31, 2008, are as follows:

Debt Service Requirements for Wastewater Special Assessment Bonds				
	Principal	Interest	Total	
2009	\$ 77,980	\$ 27,638	\$ 105,618	
2010	83,940	24,274	108,214	
2011	84,918	20,008	104,926	
2012	85,939	15,690	101,629	
2013	71,584	11,361	82,945	
2014-2018	184,126	19,234	203,360	
2019-2023	14,380	1,413	15,793	
Total	\$ 602,867	\$ 119,618	\$ 722,485	

4. Business-Type Activities Revenue Bonds

The Public Building Commission (PBC) has issued revenue bonds, which will be paid from future rent revenues. At December 31, 2008, business-type activities revenue bonds for PBC consist of the following:

Business-Type Activities Outstanding Revenue Bonds as of December 31, 2008				
	Original Amount	Current Bonds Outstanding	Interest Rates	Original Term in Years
Primary Government				
PBC, 2002A	\$ 10,465,000	\$ 3,585,000	2.750-5.000%	20
PBC, 2002B	15,950,000	7,325,000	2.750-4.150%	12
PBC, 2003A	23,410,000	18,835,000	2.375-4.800%	20
PBC, 2004A	22,365,000	18,940,000	2.000-5.250%	20
PBC, 2005A	28,260,000	25,055,000	4.000-4.750%	20
PBC, 2007A	10,500,000	9,585,000	3.892-4.125%	20
PBC, 2007B	4,850,000	4,210,000	3.800-3.900%	20
PBC, 2008A	48,825,000	48,825,000	4.000-5.000%	20
PBC, 2008B	5,640,000	5,640,000	4.000-4.750%	20
PBC, 2008C	10,750,000	10,750,000	4.000-5.000%	20
Total	\$ 181,015,000	\$ 152,750,000		

On May 1, 2008, the PBC issued \$48,825,000, Lease Purchase Improvement Revenue Bonds, Series 2008A to finance capital improvement projects on behalf of the County to construct County buildings. These bonds mature in 2028, and have interest rates ranging from 4.0% to 5.0%. The bond premium for the Series 2008A Lease Purchase Improvement Revenue Bonds issue was recorded in the amount of \$235,916, and is being amortized to interest expense through 2028. As of December 31, 2008, the remaining balance of the bond premium is \$228,052.

On May 1, 2008, the PBC issued \$5,640,000, Lease Purchase Improvement Revenue Bonds, Series 2008B to finance a capital improvement project on behalf of the County to construct County buildings. These bonds mature in 2028, and have interest rates ranging from 4.00% to 4.75%. The bond premium for the Series 2008B Lease Purchase Improvement Revenue Bonds issue was recorded in the amount of \$12,746, and is being amortized to interest expense through 2028. As of December 31, 2008, the remaining balance of the bond premium is \$12,321.

On November 1, 2008, the PBC issued \$10,750,000, Lease Purchase Improvement Revenue Bonds, Series 2008C to finance capital improvement projects on behalf of the County to construct County buildings. These bonds mature in 2028, and have interest rates ranging from 4.0% to 5.0%. The bond discount for the Series 2008C Lease Purchase Improvement Revenue Bonds issue was recorded in the amount of \$66,544, and is being amortized to interest expense through 2028. As of December 31, 2008, the remaining balance of the bond premium is \$66,267.

For the 2007B crossover refunding, net proceeds of \$1,269,935 were used to purchase U.S. Government securities. These securities were deposited in an escrow account with an Escrow Trustee to pay debt service from September 1, 2007 through September 1, 2008 on the portion of the Refunding Bonds allocable to the Series 1999 Bonds. On September 1, 2008, the Escrow Trustee redeemed the principal of Series 1999 Bonds scheduled to mature in the years 2009 through 2019 in the aggregate amount of \$1,270,000. After September 1, 2008, the Series 1999 Bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The PBC completed the crossover refunding to reduce its total debt service payments over the net twelve years by approximately \$136,340 and to obtain an economic gain (the difference between the present value of the old and the new debt) of \$105,788.

The PBC issued debt in 2002 to refund various issues from 1993, 1994 and 1995. Additionally, PBC issued debt in 2007 to refund Series 1997A and Series 1999A. The deferred refunding for \$521,278 as of December 31, 2008, is the difference between the reacquisition price and the net carrying amount of the old debt and is being amortized to interest expense annually.

Remaining debt service requirements for PBC revenue bonds will be paid from the PBC Enterprise fund.

Annual debt service requirements to maturity for business-type activities revenue bonds are as follows:

Debt Service Requirements for Business-Type Activities Revenue Bonds			
	Principal	Interest	Total
Primary Government			
2009	\$ 7,430,000	\$ 7,303,112	\$ 14,733,112
2010	8,365,000	6,312,545	14,677,545
2011	7,900,000	6,001,199	13,901,199
2012	8,090,000	5,696,003	13,786,003
2013	7,975,000	5,390,123	13,365,123
2014-2018	38,565,000	22,181,078	60,746,078
2019-2023	44,205,000	13,590,507	57,795,507
2024-2028	30,220,000	4,011,588	34,231,588
Total	\$ 152,750,000	\$ 70,486,155	\$ 223,236,155

5. Business-Type Activities Long-Term Loans

The County has committed to pay loan obligations in the event that insufficient revenues are collected from connection fees and EDU charges within the Wastewater District. The County has also committed to pay loan obligations for various railroad improvements at the New Century Air Center.

During 2008, the State did not advance any additional funds for Wastewater improvements. As of December 31, 2008, the County was eligible to borrow an additional \$1,064,108 for various Wastewater improvements.

At December 31, 2008, loan agreements were in existence between the County and the State of Kansas as follows:

Business-Type Activities					
Outstanding Loans as of December 31, 2008					
	Original Issue Amount	Current Loans Outstanding	Interest Rates	Original Term in Years	
Mission Twp MSD1 C34 P4	\$ 4,902,966	\$ 615,011	4.25%	20	
Indian Creek MSD1 C17 P3	3,146,378	473,784	4.33%	20	
Indian Creek SDC1 C17 P4	1,752,469	322,458	4.22%	20	
Turkey Creek MSD1 C19 P2	3,069,300	468,570	4.33%	20	
Turkey Creek MSD1 C19 P3	3,543,860	670,996	4.44%	20	
Blue River	14,290,397	7,938,658	3.14%	20	
Mill Creek	47,190,000	17,518,951	3.77%	20	
Mill Creek Regional Plant	13,583,500	11,118,840	2.86%	20	
Airport Railroad Project	199,500	49,485	3.00%	10	
Airport Industrial Rail Project	217,197	102,926	3.00%	10	
Total	\$ 91,895,567	\$ 39,279,679			

Annual debt service requirements to maturity for borrowed amounts outstanding at December 31, 2008, against these loans are as follows:

Debt Service Requirements for Business-Type Activities Loans			
	Principal	Interest	Total
2009	\$ 4,877,248	\$ 1,251,762	\$ 6,129,010
2010	5,024,125	1,083,176	6,107,301
2011	5,027,021	908,906	5,935,927
2012	4,746,549	740,857	5,487,406
2013	4,654,019	582,123	5,236,142
2014-2018	10,094,935	1,418,071	11,513,006
2019-2023	3,865,087	563,682	4,428,769
2024-2028	990,695	67,683	1,058,378
Total	\$ 39,279,679	\$ 6,616,260	\$ 45,895,939

C. Component Unit Debt

1. Changes in Governmental Activities Long-Term Debt

The following table summarizes the changes in governmental activities long-term debt of the District for the year ended December 31, 2008:

Summary of Governmental Activities Debt for the year ended December 31, 2008					
Component Unit	Outstanding			Outstanding	Due Within
	January 1	Additions	Reductions	December 31	One Year
Bonds:					
General obligation	\$ 4,305,000	\$ -	\$ 275,000	\$ 4,030,000	\$ 285,000
Revenue	8,323,072	-	473,272	7,849,800	504,000
Certificates of participation	37,750,000	-	2,040,000	35,710,000	1,855,000
Compensated absences	627,814	438,813	402,500	664,127	425,781
Other post employment benefits	384,170	176,089	-	560,259	-
Capital lease obligations	65,262	-	40,633	24,629	24,629
Total	\$ 51,455,318	\$ 614,902	\$ 3,231,405	\$ 48,838,815	\$ 3,094,410

2. Governmental Activities and Business Type Activities Summary of Long Term Debt

The District has issued revenue bonds. The bonds will be paid from user fees for various recreational activities. At December 31, 2008, governmental activities and business-type activities debt for the District consists of the following:

Summary of Bond Issues					
Component Unit	Original Issue Amount	Governmental Activities Balance	Business-Type Balance	Interest Rates	Original Term in Years
General Obligation:					
1999 Big Bull Creek	\$ 6,000,000	\$ 4,030,000	\$ -	4.250-6.250%	20
Revenue:					
1998 First Mortgage Lease	5,975,000	3,229,800	615,200	4.800-5.200%	20
2000 Lease	877,800	424,200	80,800	5.500-6.250%	15
2001 Lease	6,695,000	4,195,800	799,200	4.600-5.000%	20
1994 Series B	4,380,000	-	50,000	6.000%	18
1998 Refunding	8,095,000	-	2,315,000	4.800-5.200%	20
2001A Refunding	3,020,000	-	1,995,000	4.500-5.300%	18
Certificates of Participation:					
2002 Series A	14,120,000	10,740,000	-	3.000-5.000%	20
2003 Series A	28,255,000	22,620,000	-	2.625-4.500%	20
2003 Series B	3,640,000	2,350,000	-	2.250-5.000%	21
Total	\$ 81,057,800	\$ 47,589,800	\$ 5,855,200		

3. Governmental Activities Long-term Debt

Annual debt service requirements to maturity for governmental activities long-term debt are as follows:

Debt Service Requirements Governmental Activities			
Component Unit	Principal	Interest	Total
2009	\$ 2,668,629	\$ 2,056,306	\$ 4,724,935
2010	2,735,000	1,960,937	4,695,937
2011	2,835,200	1,859,907	4,695,107
2012	2,945,400	1,748,694	4,694,094
2013	3,056,400	1,629,922	4,686,322
2014-2018	17,565,800	6,048,443	23,614,243
2019-2023	15,608,000	2,073,678	17,681,678
2024-2028	200,000	9,500	209,500
Total	\$ 47,614,429	\$ 17,387,387	\$ 65,001,816

The 1998 Revenue Refunding Bonds, 1994 Series B Revenue Bonds, and the 2001A Series Revenue Refunding Bonds require the District to produce net revenues as defined by the bonds of not less than 110% of the debt service requirements required to be paid by the District in the fiscal year of all revenue bonds outstanding.

All of the revenue bonds also require the establishment of bond reserves of an amount equal to the lesser of a) 10% of the stated principal amount of the bonds; b) the maximum annual debt service requirements; or c) 125% of the average annual debt service requirements. The District has \$738,768 in the District Enterprise Fund and \$1,268,867 in the Parks and Recreation Foundation Fund restricted for the bond reserves.

The 2001 A Series Revenue Refunding Bonds require on the first day of each month, monthly payments to the principal and interest reserve fund equal to proportionate amounts

necessary to have sufficient funds for the next interest and principal payment date. The bonds also require on each December 10 an amount to be transferred to the reserve accounts sufficient to make the next principal and interest payment. The District was not making the monthly transfers for the first two months of the year.

The Certificates of Participation require the establishment of bond reserves of an amount equal to the lesser of a) 10% of the stated principal amount of the bonds; b) the maximum annual debt service requirements; or c) 125% of the average annual debt service requirements. The governmental activities has \$2,290,988 restricted for the required bond reserves.

The District has \$326,831 restricted cash and cash equivalents in project reserve funds established by the certificates of participation and revenue bonds. These reserve funds are restricted by the bond documents for specific capital projects.

4. Changes in Business-Type Activities Long-Term Debt

The following table summarizes the changes in business-type activities debt of the District for the year ended December 31, 2008:

Summary of Business-Type Activities Debt for the year ended December 31, 2008					
Component Unit	Outstanding January 1	Additions	Reductions	Outstanding December 31	Due Within One Year
Revenue bonds	\$ 6,636,928	\$ -	\$ (781,728)	\$ 5,855,200	\$ 306,000
Less: deferred amounts	(76,704)	-	53,202	(23,502)	(1,808)
Compensated absences	436,101	259,275	(244,000)	451,376	252,546
Capital lease obligations	98,958	-	(55,676)	43,282	26,897
Total	\$ 7,095,283	\$ 259,275	\$ (1,028,202)	\$ 6,326,356	\$ 583,635

5. Business-Type Activities Revenue Bonds

The District has issued revenue bonds. The bonds will be paid from user fees for various recreational activities.

Annual debt service requirements to maturity for business-type activities revenue bonds are as follows:

Debt Service Requirements for Business-Type Activities Revenue Bonds			
Component Unit	Principal	Interest	Total
2009	\$ 306,000	\$ 303,616	\$ 609,616
2010	500,000	280,552	780,552
2011	519,800	256,264	776,064
2012	534,600	230,301	764,901
2013	548,600	203,610	752,210
2014-2018	2,924,200	583,047	3,507,247
2019-2023	522,000	37,701	559,701
Total	\$ 5,855,200	\$ 1,895,091	\$ 7,750,291

The 1998 Revenue Refunding Bonds, 1994 Series B Revenue Bonds, and the 2001A Series Revenue Refunding Bonds requires the District to produce net revenues as defined by the bonds of not less than 110% of the debt service requirements

6. Capital leases

As explained in Note 7, the District has entered into various capital leases for assets. The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2008 were as follows:

Future Minimum Lease Payments	
Year Ending December 31:	Component Unit
2009	\$ 53,638
2010	16,687
Total minimum lease payments	70,325
Less amounts representing interest	(2,414)
Present value of minimum lease payments	\$ 67,911

9. Commitments

Capital projects often extend from one to four years and are accounted for in the County's Capital Projects Fund. Kansas statutes do not require capital project expenditures to be budgeted. The following is a schedule of project authorizations and expenditures incurred since inception, by category, for capital projects in progress at December 31, 2008.

Primary Government Project Authorizations and Expenditures Since Inception		
Project Category	Authorization	Expenditures Since Inception
Primary Government		
AIMS	\$ 1,445,163	\$ 981,689
Appraiser	3,995,641	1,907,802
Board of County Commissioners	111,517	99,003
Budget & Financial Planning - Econ. Dev.	1,477,732	-
County Managers Office	100,000	-
Election	2,572,159	1,342,768
Emergency Communications	27,689,333	13,061,512
Emergency Medical Services	1,906,118	1,297,132
Facilities	23,272,619	16,114,926
Information Technology Services	8,480,509	6,848,465
Infrastructure	82,124,133	51,756,495
Justice Information Management	375,000	372,736
Library	620,000	147,821
Planning	28,650	22,308
Public Health	248,112	200,557
Public Works - Stormwater	200,118,835	168,553,126
Total	\$ 354,565,521	\$ 262,706,340

10. Self-Insurance

A. Risk Management

The Park and Recreation District does not participate in the County's self-insurance programs for risk management and health care. The District purchases commercial insurance coverage for these risks.

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. Since November 1990, the County has qualified as a self-insurer for workers' compensation benefits. Workers' Compensation costs are paid into the Risk Management internal service fund by all other funds through an allocation system and are available to pay claims, claim reserves, and administrative costs of the program. The County retains liability for \$350,000 per accident with specific excess coverage purchased commercially to provide protection in excess of that amount. Settled claims have not exceeded the retention amount in any of the past three fiscal years. No aggregate excess coverage is purchased. A third party claims administrator is contracted to provide claims administration and payment services.

As of December 31, 2008, incurred but not reported (IBNR) workers' compensation claims of \$966,993 have been accrued as a liability in the Risk Management internal service fund based upon an actuary's estimate. Additional workers' compensation claims incurred and outstanding of \$945,115 have also been recorded in this fund.

The County retains liability for \$350,000 of each occurrence for losses related to automobile and general liability. Coverage in excess of the retained limits is provided by excess insurance. Settled claims have not exceeded the retention or the commercial coverage in any of the past three fiscal years. The County purchases Public Officials Errors & Omissions and Employment Practices Liability insurance which provides coverage in excess of a \$350,000 retention per each wrongful act. Settled claims have not exceeded the retention or commercial coverage in any of the past three fiscal years. Law Enforcement Liability coverage is purchased to cover the Sheriff's Operations. Since January 2007, this insurance has a \$100,000 deductible applicable to each claim. Settled claims have not exceeded the deductible or commercial coverage in any of the past two fiscal years. There were no significant reductions in the insurance coverage from the prior year. As of December 31, 2008, incurred but not reported (IBNR) automobile, general, and law enforcement liability claims of \$416,544 have been accrued as a liability in the Risk Management internal service fund based upon an actuary's estimate. A liability for automobile, general, and law enforcement claims is established when payment is determined to be probable and reasonable estimates of expected costs are available. These amounts are in the categories as listed below:

Automobile liability	\$	36,213
General liability		287,330
Law enforcement liability		<u>93,001</u>
Total	\$	416,544

Changes in the Risk Management internal service fund's insurance claims payable during 2008 and 2007 were as follows:

Risk Management				
	Claims Liability Beginning of Year	Claims and Changes in Estimates	Claim Payments	Claims Liability End of Year
2008	\$ 2,031,114	3,604,941	(3,307,404)	\$2,328,651
2007	\$ 2,084,263	2,939,418	(2,992,567)	\$2,031,114

The above totals represent both the Workers' Compensation fund as well as tort and non-tort liability Reserve fund costs. The Risk Management claims payable are based upon claims adjusters' and management's evaluation, and an actuarial review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but not reported. The liability represents the estimated ultimate cost of settling the claims, including incremental costs, the effects of inflation and other societal and economic factors. Other non-incremental costs are not included in the basis of estimating the liability.

Included in the Risk Management fund's net assets is an amount for future catastrophic tort and non-tort losses not otherwise insured in the amount of \$3,343,525 and \$3,215,796 at December 31, 2008 and 2007, respectively.

B. Self-Insured Health Care

The County qualified as a self-insurer for health care benefits in 1990, and has been in a cost-plus arrangement since 1993. The County retains liability for \$250,000 per person, with specific excess coverage purchased to provide protection in excess of that amount. In addition, the County has aggregate stop-loss coverage for potential health care costs above the funded limit for the County as a whole. This aggregate stop-loss is limited to 120% of projected claims for the plan year, and was approximately \$32,318,794 and \$25,125,238 in 2008 and 2007, respectively. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from the prior year. A third party administrator is contracted to provide claims administration and payment services. As of December 31, 2008, a liability of \$2,095,637 has been recorded in the Self-Insured Health Care internal service fund for outstanding health care claims, including an estimate for claims incurred but not reported (IBNR).

The Self-Insured Health Care claims payable are based upon claims adjusters' and management's evaluation. The liability represents the estimated ultimate cost of settling the claims, including incremental costs, the effects of inflation and other societal and economic factors. Other non-incremental costs are not included in the basis of estimating the liability.

Changes in the Self-Insured Health Care internal service fund's insurance claims payable during 2008 and 2007 were as follows:

Self-Insured Health Care				
	Insurance Claims Liability Beginning of Year	Claims and Changes in Estimates	Claim Payments	Insurance Claims Liability End of Year
2008	\$ 1,594,308	30,160,424	(29,659,095)	\$ 2,095,637
2007	\$ 1,588,780	26,732,875	(26,727,347)	\$ 1,594,308

11. Contingencies

A. Federal Assistance

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

B. Litigation

The County and its related entities are involved in various lawsuits arising in the ordinary course of activities, including claims related to law enforcement activities, personal injuries and personnel issues, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice from counsel, believes that their ultimate outcome will not be material to the financial statements.

C. Other Contingencies

As of December 31, 2008, the District has entered into various contracts for construction of improvements with approximately \$1,175,000 of the contracts to be completed in future fiscal years.

12. Pension Plans

A. KPERS/KP&F

Johnson County and the District participate in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available joint financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 S. Kansas Avenue, Suite 100; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established for calendar year 2008 was 5.93%. The Johnson County employer contributions to KPERS for the years ending December 31, 2008, 2007, and 2006 were \$5,409,758, \$4,537,579, and \$3,838,795, respectively, and equal the required contributions for each year.

On July 1, 2006, new legislation went into effect requiring governmental agencies to pay a KPERS employer contribution rate on certain KPERS retirees who work after retirement (House

Substitute for SB 270). The new rate only applies to workers who retired from a different KPERS employer. For example, the rate would not apply to a KPERS County retiree resuming employment with the County. The 2008 employer rate was 11.94% and is calculated on the employee's gross earnings. There is no employee rate assessed.

The KP&F employer rates established for fiscal year 2008 are 13.88% for participating emergency medical staff and 14.09% for sheriff. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. The Johnson County contributions to KP&F for the years ending December 31, 2008, 2007, and 2006 were \$6,112,719, \$5,499,958, and \$4,836,420, respectively, and were equal to the required contributions for each year.

The Park and Recreation District employer contributions to KPERS for the years ending December 31, 2008, 2007 and 2006, were \$406,683, \$299,435, and \$308,518, respectively, equal to the statutory required contributions for each year. The Park and Recreation District contributions to KP&F for the years ending December 31, 2008, 2007, and 2006, were \$124,097, \$113,824, and \$93,182, respectively, equal to the statutory required contributions for each year.

B. Deferred Compensation Plan

The County offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees or other beneficiaries until termination, retirement, death or unforeseeable emergency.

The plan assets have been placed in a trust for the exclusive benefit of the employees and are not the property of the County or subject to the claims of the County's general creditors. The County has no administrative involvement and does not perform the investing function related to this plan. The County has no fiduciary accountability for the plan, and accordingly, the plan assets and related liabilities to plan participants are not included in the basic financial statements.

C. Supplemental Retirement Plans

In 2001, the Board of County Commissioners established three separate single-employer defined contribution plans effective beginning with fiscal year 2002: 1) the Johnson County Supplemental Retirement Plan, 2) the Johnson County Executive Retirement Plan and 3) the Johnson County Elected Retirement Plan. Plan benefit provisions and contribution requirements for each plan were established by Johnson County Resolution No. 094-01 and may be amended by the Board of County Commissioners of Johnson County, Kansas (the Employer). The administrator for these plans will be Johnson County, Kansas. The plans are in accordance with Internal Revenue Code 401(a). A separate audited GAAP-basis pension plan report is not available for the defined contribution pension plans.

The Johnson County Supplemental Retirement Plan was established to provide benefits at retirement to all eligible employees of Johnson County other than elected officials. Substantially all regular employees over the age of eighteen who are scheduled for eighty hours or greater per pay period and any part-time employees who are in positions of ½ full-time equivalent or greater are eligible to participate in this plan. This plan covers all eligible members for the County as of January 1, 2002 provided the eligible employee has opted to participate in the Johnson County Deferred Compensation Plan (as established under Internal Revenue Code Section 457). The minimum participation requirement to the deferred compensation plan is \$10 per pay period in

order to qualify for the Employer's matching contribution. The Employer's matching contribution shall be in the amount equal to 100% of the employee's contribution to the deferred compensation plan subject to a maximum of 3% per bi-weekly base salary per pay period. All contributions to this plan are by the Employer, and the amount to be contributed is discretionary and established by the Employer. No contributions by the employees are permitted to this plan. Employees vest in the plan as follows: 20% with one year of service, 40% with two years of service, 60% with three years of service, 80% with four years of service, and 100% with five years of service. Years of service prior to January 1, 2002 will be counted for vesting purposes for this plan.

The Johnson County Executive Retirement Plan was established to provide benefits at retirement for the County Manager. This plan covers one member, who is 100% vested at the time of enrollment. All contributions to this plan are by the Employer, and the amount to be contributed is discretionary and is determined by the Employer. No employee contributions are permitted.

The Johnson County Elected Retirement Plan was established to provide benefits at retirement for the Elected Officials of the County. This plan covers all elected officials for the County as of January 1, 2002 provided the elected official has opted to participate in the Johnson County Deferred Compensation Plan (as established under Internal Revenue Code Section 457). The minimum participation requirement to the deferred compensation plan is \$10 per pay period in order to qualify for the Employer's matching contribution to the retirement plan. The Employer's matching contribution to the retirement plan shall be in an amount equal to 100% of the Elected Official's contribution to the deferred compensation plan subject to a maximum of 3% per bi-weekly base salary per pay period. All contributions to this plan are by the Employer, and the amount to be contributed is discretionary and established by the Employer. No contributions by the elected officials are permitted to this plan. Elected officials will vest as follows: 25% with one year of service, 50% with two years of service, 75% with three years of service, and 100% vested with four years of service. Years of service prior to January 1, 2002 will be counted for vesting purposes for this plan.

Information Regarding the Supplemental Retirement Plans			
<u>Fiscal Year Ending</u>	<u>Number of Active Participants</u>		
	<u>Employee</u>	<u>Executive</u>	<u>Elected</u>
12/31/2008	2,036	1	7
12/31/2007	1,967	1	7
12/31/2006	1,793	1	4
<u>Fiscal Year Ending</u>	<u>County Contributions</u>		
	<u>Employee</u>	<u>Executive</u>	<u>Elected</u>
12/31/2008	\$ 2,881,568	\$ 8,000	\$ 16,554
12/31/2007	2,194,582	8,000	12,207
12/31/2006	1,492,232	8,000	7,899

13. Conduit Debt Obligations

The County has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. The County has also issued multi-family housing bonds to provide mortgage loans for the construction and financing of multi-family rental and single family residences in the County. These bonds are secured solely by the property financed by the respective bond issues and by credit guarantees of investment-grade financial institutions. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County nor any political

subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2008, there were three issues of industrial revenue and multi-family housing bonds outstanding with an original amount of \$23,649,500 and an aggregate principal balance outstanding of \$19,032,428.

14. Subsequent Events

In April 2009, Johnson County, Kansas, issued Internal Improvement Bonds, Series 2009A for the amount of \$16,345,000, and the Public Building Commission of Johnson County, Kansas, issued Lease Purchase Revenue Bonds, Series 2009A in the amount of \$14,995,000.

15. Postemployment Benefits Other Than Pensions

Plan Description

The County sponsors a single-employer defined benefit healthcare plan that provides healthcare benefits to retirees and their dependents, including medical, dental, and vision coverage. Retiree health coverage is provided for under Kansas Statute 12-5040. Retirees who retire with at least 10 years of cumulative service with the County and commence retirement or disability benefits under the Kansas Public Employee Retirement System (KPERs) are eligible for benefits.

The County requires retirees to pay the same premiums charged to COBRA participants for medical, dental, and vision coverage. The COBRA rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these two amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45).

Retirees and spouses have the same benefits as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches Medicare eligibility age which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies.

Funding Policy

The contribution requirements of plan members and the County are established and may be amended by the County. The contribution is based on pay-as-you-go financing requirements. As of December 31, 2008, the County had 50 participating retirees and the County expended approximately \$243,158 for these benefits.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is equal to the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, plus one year's interest on the beginning balance of the net OPEB obligation, minus any adjustment to the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost of each year and any unfunded actuarial liabilities (or funding excess) amortized over thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount contributed to the plan, and changes in the County's net OPEB obligation to the plan:

Annual Required Contribution (ARC)	\$ 1,423,018
Interest on prior year net OPEB Obligation	227,001
Adjustment to the ARC	(315,565)
Annual OPEB Cost (expense)	1,334,454
Employer Contributions	(243,158)
Increase in net OPEB obligation	1,091,296
Net Obligation at Beginning of Year	5,675,022
Net Obligation at End of Year	\$ 6,766,318

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior years are as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2007	\$ 3,104,198	6.7%	\$ 5,675,022
12/31/2008	\$ 1,334,454	18.2%	\$ 6,766,318

Funded Status and Funding Progress

As of December 31, 2008, the most recent actuarial valuation date, the funded status and funding progress of the plan is as follows:

Actuarial accrued liability (AAL)	\$ 11,076,187
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 11,076,187</u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Annual covered payroll (active plan members)	\$ 171,283,037
UAAL as a percentage of annual covered payroll	6.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The valuation includes, for example, assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present in time, multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2008 actuarial valuation, benefit obligations are computed using the projected unit credit method. The actuarial assumptions included a 4% discount rate, an annual healthcare cost trend rate of 9% initially for 2008, reduced by 1% each year to an ultimate rate of 6% in the fourth year and beyond. Benefits are attributed to service based on the plan's benefit eligibility

provisions. The beginning of the attribution period is the date of hire and the end is the full eligibility date. The unfunded actuarial accrued liability is amortized over a 30 year open period in level dollar amounts. No assets have been segregated and restricted to provide postretirement benefits.

Parks and Recreation Component Unit OPEB Information:

The following table shows the information for the Parks and Recreation component unit annual OPEB cost for the year, the amount contributed to the plan, and changes in the component unit's net OPEB obligation to the plan:

Annual Required Contribution (ARC)	\$ 202,679
Interest on prior year net OPEB Obligation	15,367
Adjustment to the ARC	<u>(21,362)</u>
Annual OPEB Cost (expense)	196,684
Employer Contributions	<u>(20,595)</u>
Increase in net OPEB obligation	176,089
Net Obligation at Beginning of Year	<u>384,170</u>
Net Obligation at End of Year	<u><u>\$ 560,259</u></u>

The Parks and Recreation component unit's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior years are as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2006	\$ 202,679	5.2%	\$ 192,085
12/31/2007	\$ 202,679	5.2%	\$ 384,170
12/31/2008	\$ 196,684	10.5%	\$ 560,259

Funded Status and Funding Progress

As of December 31, 2008, the most recent actuarial valuation date, the funded status and funding progress of the plan is as follows:

Actuarial accrued liability (AAL)	\$ 1,238,400
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 1,238,400</u></u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Annual covered payroll (active plan members)	\$ 8,011,995
UAAL as a percentage of annual covered payroll	15.5%

16. New Governmental Accounting Standards Board (GASB) Statements and Pending Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the County. The County's management has not yet determined the effect these

Statements will have on the County's financial statements. However, the County plans to implement all standards by the required dates. The Statements which might impact the County are as follows:

GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets

This Statement will be effective for the County beginning with its fiscal year 2010. This Statement provides guidance regarding how to identify, account for and report intangible assets. The new standard characterizes an intangible asset as an asset that lacks physical substance, is nonfinancial in nature and has an initial useful life extending beyond a single reporting period. The requirements of GASB 51 for the most part require retroactive application.

GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments

This Statement will be effective for the County beginning with its fiscal year 2010. This statement requires that the fair value of financial arrangements called "derivatives" or "derivative instruments" be reported in the financial statements of state and local governments.

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

This Statement will be effective for the County beginning with its fiscal year 2011. This statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. GASB 54 establishes a hierarchy of fund balance classifications based primarily on the extent to which a government is bound to observe spending constraints imposed upon how resources reported in governmental funds may be used. Specifically, GASB 54 distinguishes fund balance between amounts that are considered nonspendable and other amounts that are classified based on the relative strength of the constraints that control the purposes for which specific amounts can be spent.

Required Supplementary Information

Schedule of Funding Progress – Other Postemployment Benefits Other Than Pensions

The schedules of funding progress presented below provide a consolidated snapshot of the County's ability to meet current and future liabilities with plan assets. The first schedule below does not include the Parks and Recreation Component Unit information.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	-	\$10,080,935	\$ 10,080,935	-	\$ 161,933,134	6.2%
12/31/08	-	11,076,187	11,076,187	-	171,283,037	6.5%

Parks and Recreation Component Unit

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	-	\$ 1,238,400	\$ 1,238,400	-	\$ 8,011,995	15.5%
12/31/08	-	1,238,400	1,238,400	-	8,011,995	15.5%

Nonmajor Governmental Funds

Special Revenue Funds

Developmental Supports – The Developmental Supports Fund accounts for all revenues and expenditures of the Developmental Supports agency. Developmental Supports is a community-based service agency providing a variety of vocational, employment, training, living, and case management services to persons with developmental disabilities and their families.

Library – The Library Fund accounts for all revenues and expenditures of constructing, renovating, outfitting, and operating an urban library system. The Johnson County Library system provides a community resource, which furnishes organized access to scholarly, technical, and literary experience. The Library provides materials, services, and programs to meet the needs of its patrons and enhance the quality of their lives.

Library Gift Fund – The Library Gift Fund accounts for contributions and donations by patrons and supporters of the Library intended to supplement County expenditures for staff development, resources, and other activities designed to improve the Library system.

Stream Maintenance – The Stream Maintenance Fund receives royalty payments from sand removed from the Kansas River as it flows through Johnson County. These funds can be used for the cleaning and maintenance of the Kansas River upon approval of the Kansas Division of Water Resources. These funds may also be used for the development of parklands along the Kansas River and its tributaries.

Mental Health – The Mental Health Fund accounts for all revenues and expenditures of the Mental Health agency. The Mental Health Center provides a broad range of services including 24-hour emergency services and outpatient services for individuals and families in Johnson County. Mental Health provides services to both adults and children with severe and persistent mental illness. The Center also operates a community-based treatment program for seriously disabled adults, an adult detoxification center, and a 20-bed residential treatment facility for adolescents suffering from substance abuse problems.

Register of Deeds Technology – The Register of Deeds Technology Fund may only be used by the Register of Deeds to acquire equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of data recorded or stored in the Office of the Register of Deeds.

Stormwater – The Stormwater Fund accounts for all revenues and expenditures of the Stormwater management program. The Stormwater Management agencies are responsible for distributing the proceeds of a Countywide 1/10 of one percent retail sales tax for paying the County share of Stormwater management and flood control improvements

Developer Fees – The Developer Fees Fund has been established to account for fees in-lieu-of parkland dedications from land developers in Johnson County. Expenditures are to be used for public parkland and recreation purposes, in accordance with Article 27(6)(E) of the Johnson County Zoning and Subdivision Regulations.

Public Health – The Public Health Fund accounts for all revenues and expenditures of the Public Health agency. Public Health provides a broad range of services including control and prevention of communicable disease and bioterrorism, and the promotion of health and wellness.

911 Telephone – The 911 Telephone Fund accounts for the 2% tax collected by service suppliers providing exchange telephone services. The proceeds from this tax are used to fund the 911 system throughout Johnson County.

District Attorney Forfeited Property – The District Attorney Forfeited Property Fund accounts for proceeds from property seized by the District Attorney pursuant to state and federal requirements. The proceeds are restricted for special law enforcement efforts.

Sheriff Forfeited Property – The Sheriff Forfeited Property Fund accounts for proceeds from property seized by the Sheriff pursuant to state and federal requirements. The proceeds are restricted for special law enforcement efforts.

Controlled Substance –The Controlled Substance Fund accounts for revenues from taxes on controlled substances pursuant to state statute. The proceeds are restricted for use solely for law enforcement and criminal prosecution activities.

Alcohol Tax – The Alcohol Tax Fund receives revenues from the local alcohol liquor tax authorized by the Kansas Legislature. By statute, funds must be expended for alcoholism prevention and drug abuse prevention programs.

Prosecutor Training – The Prosecutor Training Fund accounts for a portion of fees paid for court case. The fees are restricted for training of prosecuting attorney personnel.

Public Works – The Public Works Fund accounts for all revenues and expenditures of the Public Works agencies. The Public Works agency maintains and improves County roads and bridges as well as providing equipment maintenance and traffic control services. Public Works also administers the County Assisted Road System (CARS) program, which provides matching funds to cities within the County for various road and bridge projects.

Library Special Use – The Library Special Use Fund is used to finance the cost associated with planning, outfitting, and stocking new libraries and for financing capital improvement projects.

County Building – The County Building Fund accounts for the revenues and expenditures related to the acquisition of sites and to erect, construct, renovate and furnish County buildings. The fund was re-established in 2004 in accordance with Kansas Statutes, which allows an annual tax levy not to exceed one mill for a period not to exceed ten years.

911 Wireless Telephone – The 911 Wireless Telephone Fund was established on July 1, 2004 to account for the 25 cents month fee assessed on each wireless phone in Johnson County. The proceeds from the fee will be used to provide wireless 911 phone service and for equipment directly related to providing this service.

Weapons Licensure – The Weapons Licensure Fund was established on June 29, 2006 to account for the revenues and expenditures incurred by the Sheriff's office in administering the licensure applications, including the costs of finger printing for the State of Kansas for licenses for the concealed carry of firearms as authorized by the Kansas Legislature.

Equipment Reserve – The Equipment Reserve fund was established during 2004 to finance the acquisition of equipment.

Debt Service Fund – The Debt Service Fund collects property tax levied and special assessment tax levied which are used to make principal and interest payments on all general obligation and special assessment bonds with governmental commitment, certain notes and capital leases, excluding Park and Recreation bonds and debt accounted for in the proprietary funds.

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Deposits including investments	\$ 43,967,829	\$ 569,038	\$ 44,536,867
Receivables (net of allowance for uncollectibles):	65,274,406	2,250,246	67,524,652
Inventories	1,094,153	-	1,094,153
Prepays	67,236	-	67,236
Total assets	\$ 110,403,624	\$ 2,819,284	\$ 113,222,908
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,758,952	\$ -	\$ 2,758,952
Salaries and wages payable	2,493,407	-	2,493,407
Due to others	1,239	-	1,239
Deferred revenue	61,447,383	2,250,246	63,697,629
Total liabilities	66,700,981	2,250,246	68,951,227
Fund Balances:			
Reserved for:			
Encumbrances	2,324,053	-	2,324,053
Prepaid items	67,236	-	67,236
Unreserved:			
Designated for debt service	-	101,448	101,448
Designated for working capital	-	467,590	467,590
Unreserved	41,311,354	-	41,311,354
Total fund balances	43,702,643	569,038	44,271,681
Total liabilities and fund balances	\$ 110,403,624	\$ 2,819,284	\$ 113,222,908

Johnson County, Kansas
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 77,973,408	\$ 2,594,855	\$ 80,568,263
Intergovernmental	24,920,200	-	24,920,200
Charges for services	25,484,468	10,107	25,494,575
Investment earnings	3,696,066	132,862	3,828,928
Licenses and permits	474,807	-	474,807
Other	1,135,877	-	1,135,877
Total revenues	133,684,826	2,737,824	136,422,650
EXPENDITURES			
Current:			
General government	899,033	-	899,033
Public works	10,580,267	-	10,580,267
Public safety	3,010,896	-	3,010,896
Health and human services	57,147,447	-	57,147,447
Planning and economic development	26,537	-	26,537
Culture and recreation	20,791,752	-	20,791,752
Debt service:			
Principal retirement	-	9,392,084	9,392,084
Interest and fiscal charges	1,781	1,233,751	1,235,532
Capital Outlay	4,788,942	-	4,788,942
Total expenditures	97,246,655	10,625,835	107,872,490
Excess (deficiency) of revenues over (under) expenditures	36,438,171	(7,888,011)	28,550,160
OTHER FINANCING SOURCES (USES)			
Transfers in	3,831,043	2,211,727	6,042,770
Transfers out	(36,804,028)	-	(36,804,028)
Proceeds from capital lease	-	-	-
Refunding bonds issued	-	1,410,000	1,410,000
Premium on bonds issued	-	12,586	12,586
Total other financing sources and uses	(32,972,985)	3,634,313	(29,338,672)
Net change in fund balances	3,465,186	(4,253,698)	(788,512)
Fund balances - beginning	40,237,457	4,822,736	45,060,193
Fund balances - ending	\$ 43,702,643	\$ 569,038	\$ 44,271,681

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue
 December 31, 2008

	Developmental Supports	Library	Library Gift	Stream Maintenance	Mental Health	Register of Deeds Technology	Stormwater
ASSETS							
Deposits including investments	\$ 3,756,728	\$ 3,976,089	\$ 309,373	\$ 2,649	\$ 4,255,418	\$ 7,087,263	\$ 2,944,385
Receivables (net of allowance for uncollectibles):	7,587,417	18,477,476	-	-	12,609,217	-	2,104,320
Inventories	-	-	-	-	-	-	-
Prepays	-	26,460	-	-	17,932	22,844	-
Total assets	\$ 11,344,145	\$ 22,480,025	\$ 309,373	\$ 2,649	\$ 16,882,567	\$ 7,110,107	\$ 5,048,705
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 197,624	\$ 922,359	\$ 14,285	\$ -	\$ 532,263	\$ -	\$ 4,192
Salaries and wages payable	603,351	514,525	-	-	898,081	-	14,879
Due to others	1,239	-	-	-	-	-	-
Deferred revenue	7,266,620	18,443,875	-	-	11,162,951	-	-
Total liabilities	8,068,834	19,880,759	14,285	-	12,593,295	-	19,071
Fund Balances:							
Reserved for:							
Encumbrances	146,711	566,313	-	-	65,504	414	-
Prepaid items	-	26,460	-	-	17,932	22,844	-
Unreserved	3,128,600	2,006,493	295,088	2,649	4,205,836	7,086,849	5,029,634
Total fund balances	3,275,311	2,599,266	295,088	2,649	4,289,272	7,110,107	5,029,634
Total liabilities and fund balances	\$ 11,344,145	\$ 22,480,025	\$ 309,373	\$ 2,649	\$ 16,882,567	\$ 7,110,107	\$ 5,048,705

(Continued)

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue (Continued)
 December 31, 2008

	Developer Fees	Public Health	911 Telephone	District Attorney Forfeited Property	Sheriff Forfeited Property	Controlled Substance	Alcohol Tax
ASSETS							
Deposits including investments	\$ 228,175	\$ 3,219,727	\$ 3,384,584	\$ 32,799	\$ 443,131	\$ 207,257	\$ 88,282
Receivables (net of allowance for uncollectibles):	-	5,823,378	-	-	-	-	-
Inventories	-	240,142	-	-	-	-	-
Prepays	-	-	-	-	-	-	-
Total assets	\$ 228,175	\$ 9,283,247	\$ 3,384,584	\$ 32,799	\$ 443,131	\$ 207,257	\$ 88,282
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 114,628	\$ 48,534	\$ -	\$ -	\$ -	\$ -
Salaries and wages payable	-	251,076	-	-	-	-	-
Due to others	-	-	-	-	-	-	-
Deferred revenue	-	5,901,339	-	-	-	-	-
Total liabilities	-	6,267,043	48,534	-	-	-	-
Fund Balances:							
Reserved for:							
Encumbrances	-	44,204	603,988	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Unreserved	228,175	2,972,000	2,732,062	32,799	443,131	207,257	88,282
Total fund balances	228,175	3,016,204	3,336,050	32,799	443,131	207,257	88,282
Total liabilities and fund balances	\$ 228,175	\$ 9,283,247	\$ 3,384,584	\$ 32,799	\$ 443,131	\$ 207,257	\$ 88,282

(Continued)

Johnson County, Kansas
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue (Continued)
 December 31, 2008

	Prosecutor Training	Public Works	Library Special Use	County Building	911 Wireless Telephone	Weapons Licensure	Equipment Reserve	Total
ASSETS								
Deposits including investments	\$ 8,522	\$ 5,849,941	\$ 958,616	\$ 800,258	\$ 2,432,559	\$ 128,200	\$ 3,853,873	\$ 43,967,829
Receivables (net of allowance for uncollectibles):	-	14,449,067	2,601,716	1,621,815	-	-	-	65,274,406
Inventories	-	854,011	-	-	-	-	-	1,094,153
Prepays	-	-	-	-	-	-	-	67,236
Total assets	\$ 8,522	\$ 21,153,019	\$ 3,560,332	\$ 2,422,073	\$ 2,432,559	\$ 128,200	\$ 3,853,873	\$ 110,403,624
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 4,594	\$ 626,908	\$ 16,839	\$ -	\$ 69,886	\$ -	\$ 206,840	\$ 2,758,952
Salaries and wages payable	-	211,495	-	-	-	-	-	2,493,407
Due to others	-	-	-	-	-	-	-	1,239
Deferred revenue	-	14,449,067	2,601,716	1,621,815	-	-	-	61,447,383
Total liabilities	4,594	15,287,470	2,618,555	1,621,815	69,886	-	206,840	66,700,981
Fund Balances:								
Reserved for:								
Encumbrances	-	602,718	73,303	-	198,787	-	22,111	2,324,053
Prepaid items	-	-	-	-	-	-	-	67,236
Unreserved	3,928	5,262,831	868,474	800,258	2,163,886	128,200	3,624,922	41,311,354
Total fund balances	3,928	5,865,549	941,777	800,258	2,362,673	128,200	3,647,033	43,702,643
Total liabilities and fund balances	\$ 8,522	\$ 21,153,019	\$ 3,560,332	\$ 2,422,073	\$ 2,432,559	\$ 128,200	\$ 3,853,873	\$ 110,403,624

Johnson County, Kansas
**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**
Nonmajor Governmental Funds - Special Revenue
For the Year Ended December 31, 2008

	Developmental Supports	Library	Library Gift	Stream Maintenance	Mental Health	Register of Deeds Technology	Stormwater
REVENUES							
Taxes	\$ 7,503,527	\$ 19,368,092	\$ -	\$ -	\$ 11,989,040	\$ -	\$ 11,455,759
Intergovernmental	2,995,800	337,826	-	-	5,965,965	-	-
Charges for services	10,024,719	-	-	-	11,524,431	973,968	-
Investment earnings	239,886	459,474	7,955	-	347,360	300,112	1,772,601
Licenses and permits	-	93,037	-	-	-	-	-
Other	100,284	314,685	166,859	2,676	49,932	6,963	-
Total revenues	20,864,216	20,573,114	174,814	2,676	29,876,728	1,281,043	13,228,360
EXPENDITURES							
Current:							
General government	-	-	-	-	-	137,395	-
Public works	-	-	-	-	-	-	527,073
Public safety	-	-	-	-	-	-	-
Health and human services	19,642,427	-	-	-	28,006,805	-	-
Planning and economic development	-	-	-	-	-	-	-
Culture and recreation	-	20,145,801	267,318	56,686	-	-	-
Debt service:							
Interest and fiscal charges	-	1,781	-	-	-	-	-
Capital outlay	77,812	76,537	-	-	173,411	33,692	-
Total expenditures	19,720,239	20,224,119	267,318	56,686	28,180,216	171,087	527,073
Excess (deficiency) of revenues over (under) expenditures	1,143,977	348,995	(92,504)	(54,010)	1,696,512	1,109,956	12,701,287
OTHER FINANCING SOURCES (USES)							
Transfers in	-	4,128	-	-	106,100	10,749	-
Transfers out	(198,563)	(520,000)	-	-	(525,878)	(691,558)	(12,104,591)
Total other financing sources and uses	(198,563)	(515,872)	-	-	(419,778)	(680,809)	(12,104,591)
Net change in fund balances	945,414	(166,877)	(92,504)	(54,010)	1,276,734	429,147	596,696
Fund balances - beginning	2,329,897	2,766,143	387,592	56,659	3,012,538	6,680,960	4,432,938
Fund balances - ending	\$ 3,275,311	\$ 2,599,266	\$ 295,088	\$ 2,649	\$ 4,289,272	\$ 7,110,107	\$ 5,029,634

(Continued)

Johnson County, Kansas
**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**
Nonmajor Governmental Funds - Special Revenue (Continued)
For the Year Ended December 31, 2008

	Developer Fees	Public Health	911 Telephone	District Attorney Forfeited Property	Sheriff Forfeited Property	Controlled Substance	Alcohol Tax
REVENUES							
Taxes	\$ -	\$ 4,982,726	\$ 1,263,909	\$ -	\$ -	\$ 9,577	\$ 108,716
Intergovernmental	-	3,132,004	-	-	-	-	-
Charges for services	1,019	1,349,220	-	-	-	-	-
Investment earnings	-	-	153,593	1,381	15,939	8,371	2,862
Licenses and permits	-	185,259	-	9,315	121,056	-	-
Other	-	438,780	-	-	-	-	-
Total revenues	1,019	10,087,989	1,417,502	10,696	136,995	17,948	111,578
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Public safety	-	-	852,264	14,100	-	-	55,372
Health and human services	-	9,405,590	-	-	-	-	-
Planning and economic development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	-	66,193	-	-	-	-	-
Total expenditures	-	9,471,783	852,264	14,100	-	-	55,372
Excess (deficiency) of revenues over (under) expenditures	1,019	616,206	565,238	(3,404)	136,995	17,948	56,206
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(50,000)	(1,500,000)	-	-	-	(22,338)
Total other financing sources and uses	-	(50,000)	(1,500,000)	-	-	-	(22,338)
Net change in fund balances	1,019	566,206	(934,762)	(3,404)	136,995	17,948	33,868
Fund balances - beginning	227,156	2,449,998	4,270,812	36,203	306,136	189,309	54,414
Fund balances - ending	\$ 228,175	\$ 3,016,204	\$ 3,336,050	\$ 32,799	\$ 443,131	\$ 207,257	\$ 88,282

(Continued)

Johnson County, Kansas
**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances**
Nonmajor Governmental Funds - Special Revenue (Continued)
For the Year Ended December 31, 2008

	Prosecutor Training	Public Works	Library Special Use	County Building	911 Wireless Telephone	Weapons Licensure	Equipment Reserve	Total
REVENUES								
Taxes	\$ -	\$ 16,538,600	\$ 2,566,279	\$ 2,187,183	\$ -	\$ -	\$ -	\$ 77,973,408
Intergovernmental	-	12,488,605	-	-	-	-	-	24,920,200
Charges for services	-	133,368	-	-	1,477,743	-	-	25,484,468
Investment earnings	-	-	-	69,749	88,446	-	228,337	3,696,066
Licenses and permits	-	20,300	-	-	-	45,840	-	474,807
Other	19,032	35,483	-	-	-	-	1,183	1,135,877
Total revenues	19,032	29,216,356	2,566,279	2,256,932	1,566,189	45,840	229,520	133,684,826
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	761,638	899,033
Public works	-	10,053,194	-	-	-	-	-	10,580,267
Public safety	16,588	-	-	-	821,215	-	1,251,357	3,010,896
Health and welfare	-	-	-	-	-	-	92,625	57,147,447
Planning and economic development	-	-	-	-	-	-	26,537	26,537
Culture and recreation	-	-	-	-	-	-	6,448	20,791,752
Debt service:								
Interest and fiscal charges	-	-	-	-	-	-	-	1,781
Capital outlay	-	1,509,034	77,089	2,353,611	-	-	421,563	4,788,942
Total expenditures	16,588	11,562,228	392,588	2,353,611	821,215	-	2,560,168	97,246,655
Excess (deficiency) of revenues over (under) expenditures	2,444	17,654,128	2,173,691	(96,679)	744,974	45,840	(2,330,648)	36,438,171
OTHER FINANCING SOURCES (USES)								
Transfers in	-	171,767	520,000	211,882	-	-	2,806,417	3,831,043
Transfers out	-	(18,553,985)	(2,637,115)	-	-	-	-	(36,804,028)
Total other financing sources and uses	-	(18,382,218)	(2,117,115)	211,882	-	-	2,806,417	(32,972,985)
Net change in fund balances	2,444	(728,090)	56,576	115,203	744,974	45,840	475,769	3,465,186
Fund balances - beginning	1,484	6,593,639	885,201	685,055	1,617,699	82,360	3,171,264	40,237,457
Fund balances - ending	\$ 3,928	\$ 5,865,549	\$ 941,777	\$ 800,258	\$ 2,362,673	\$ 128,200	\$ 3,647,033	\$ 43,702,643

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Developmental Supports Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 7,469,166	\$ 7,469,166	\$ 7,503,527	\$ 34,361
Intergovernmental	2,373,604	2,203,604	2,995,800	792,196
Charges for services	10,251,448	10,251,448	10,024,719	(226,729)
Investment earnings	232,059	232,059	239,886	7,827
Other	92,971	92,971	100,284	7,313
Total revenues	<u>20,419,248</u>	<u>20,249,248</u>	<u>20,864,216</u>	<u>614,968</u>
EXPENDITURES				
Current:				
Health and human services	19,937,461	19,767,461	19,675,261	92,200
Capital outlay	283,224	283,224	77,812	205,412
Reserves	2,175,902	2,175,902		2,175,902
Total expenditures	<u>22,396,587</u>	<u>22,226,587</u>	<u>19,753,073</u>	<u>2,473,514</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,977,339)</u>	<u>(1,977,339)</u>	<u>1,111,143</u>	<u>3,088,482</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(698,563)	(698,563)	(198,563)	500,000
Total other financing sources and uses	<u>(698,563)</u>	<u>(698,563)</u>	<u>(198,563)</u>	<u>500,000</u>
Net change in fund balances	<u>(2,675,902)</u>	<u>(2,675,902)</u>	<u>912,580</u>	<u>\$ 3,588,482</u>
Fund balances - beginning	<u>2,675,902</u>	<u>2,675,902</u>	<u>2,216,020</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,128,600</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Library Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 19,342,448	\$ 19,342,448	\$ 19,368,092	\$ 25,644
Intergovernmental	508,879	508,879	337,826	(171,053)
Charges for services	114,499	114,499	-	(114,499)
Investment earnings	304,265	304,265	395,284	91,019
Licenses and permits	585,000	585,000	93,037	(491,963)
Other	395,021	395,021	314,685	(80,336)
Total revenues	<u>21,250,112</u>	<u>21,250,112</u>	<u>20,508,924</u>	<u>(741,188)</u>
EXPENDITURES				
Current:				
Culture and recreation	21,104,496	21,347,050	20,677,707	669,343
Capital outlay	145,616	145,616	88,584	57,032
Reserves	1,195,016	952,462	-	952,462
Total expenditures	<u>22,445,128</u>	<u>22,445,128</u>	<u>20,766,291</u>	<u>1,678,837</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,195,016)</u>	<u>(1,195,016)</u>	<u>(257,367)</u>	<u>937,649</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	4,128	4,128
Transfers out	(520,000)	(520,000)	(520,000)	-
Total other financing sources and uses	<u>(520,000)</u>	<u>(520,000)</u>	<u>(515,872)</u>	<u>4,128</u>
Net change in fund balances	<u>(1,715,016)</u>	<u>(1,715,016)</u>	<u>(773,239)</u>	<u>\$ 941,777</u>
Fund balances - beginning	<u>1,715,016</u>	<u>1,715,016</u>	<u>2,661,871</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,888,632</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Stream Maintenance Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Other	\$ 5,000	\$ 5,000	\$ 2,676	\$ (2,324)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>2,676</u>	<u>(2,324)</u>
EXPENDITURES				
Current:				
Culture and recreation	-	-	56,686	(56,686)
Reserves	53,850	53,850	-	53,850
Total expenditures	<u>53,850</u>	<u>53,850</u>	<u>56,686</u>	<u>(2,836)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(48,850)</u>	<u>(48,850)</u>	<u>(54,010)</u>	<u>(5,160)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(5,000)	(5,000)	-	5,000
Total other financing sources and uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>5,000</u>
Net change in fund balances	<u>(53,850)</u>	<u>(53,850)</u>	<u>(54,010)</u>	<u>\$ (160)</u>
Fund balances - beginning	53,850	53,850	56,659	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,649</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Mental Health Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 11,923,980	\$ 11,923,980	\$ 11,989,040	\$ 65,060
Intergovernmental	1,918,473	6,020,005	5,965,965	(54,040)
Charges for services	15,652,917	11,581,459	11,524,431	(57,028)
Investment earnings	244,285	244,285	347,360	103,075
Other	137,988	108,020	49,932	(58,088)
Total revenues	<u>29,877,643</u>	<u>29,877,749</u>	<u>29,876,728</u>	<u>(1,021)</u>
EXPENDITURES				
Current:				
Health and human services	29,546,505	29,657,834	27,980,102	1,677,732
Capital outlay	83,200	83,200	173,411	(90,211)
Reserves	2,420,596	2,315,628	-	2,315,628
Total expenditures	<u>32,050,301</u>	<u>32,056,662</u>	<u>28,153,513</u>	<u>3,903,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,172,658)</u>	<u>(2,178,913)</u>	<u>1,723,215</u>	<u>3,902,128</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	54,844	54,738	106,100	51,362
Transfers out	(532,240)	(525,879)	(525,878)	1
Total other financing sources and uses	<u>(477,396)</u>	<u>(471,141)</u>	<u>(419,778)</u>	<u>51,363</u>
Net change in fund balances	<u>(2,650,054)</u>	<u>(2,650,054)</u>	<u>1,303,437</u>	<u>\$ 3,953,491</u>
Fund balances - beginning	<u>2,650,054</u>	<u>2,650,054</u>	<u>2,920,332</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,223,769</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Stormwater Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 12,021,817	\$ 12,021,817	\$ 11,455,759	\$ (566,058)
Investment earnings	1,047,859	1,047,859	1,313,394	265,535
Total revenues	<u>13,069,676</u>	<u>13,069,676</u>	<u>12,769,153</u>	<u>(300,523)</u>
EXPENDITURES				
Current:				
Public works	577,647	577,649	527,073	50,576
Reserves	148,974	148,974	-	148,974
Total expenditures	<u>726,621</u>	<u>726,623</u>	<u>527,073</u>	<u>199,550</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,343,055</u>	<u>12,343,053</u>	<u>12,242,080</u>	<u>(100,973)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(14,492,029)	(14,492,027)	(12,104,592)	2,387,435
Total other financing sources and uses	<u>(14,492,029)</u>	<u>(14,492,027)</u>	<u>(12,104,592)</u>	<u>2,387,435</u>
Net change in fund balances	<u>(2,148,974)</u>	<u>(2,148,974)</u>	<u>137,488</u>	<u>\$ 2,286,462</u>
Fund balances - beginning	<u>2,148,974</u>	<u>2,148,974</u>	<u>3,120,666</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,258,154</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Developer Fees Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Charges for services	\$ 9,800	\$ 9,800	\$ 1,019	\$ (8,781)
Total revenues	<u>9,800</u>	<u>9,800</u>	<u>1,019</u>	<u>(8,781)</u>
EXPENDITURES				
Current:				
Reserves	201,742	201,742	-	201,742
Total expenditures	<u>201,742</u>	<u>201,742</u>	<u>-</u>	<u>201,742</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(191,942)</u>	<u>(191,942)</u>	<u>1,019</u>	<u>192,961</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(9,800)	(9,800)	-	9,800
Total other financing sources and uses	<u>(9,800)</u>	<u>(9,800)</u>	<u>-</u>	<u>9,800</u>
Net change in fund balances	<u>(201,742)</u>	<u>(201,742)</u>	<u>1,019</u>	<u>\$ 202,761</u>
Fund balances - beginning	<u>201,742</u>	<u>201,742</u>	<u>227,156</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,175</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Public Health Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 4,953,635	\$ 4,953,635	\$ 4,982,726	\$ 29,091
Intergovernmental	3,394,880	3,394,880	3,132,004	(262,876)
Charges for services	958,274	958,274	1,349,220	390,946
Licenses and permits	290,119	290,119	185,259	(104,860)
Other	8,700	8,700	438,780	430,080
Total revenues	<u>9,605,608</u>	<u>9,605,608</u>	<u>10,087,989</u>	<u>482,381</u>
EXPENDITURES				
Current:				
Health and human services	9,617,870	10,136,714	9,609,008	527,706
Capital outlay	-	-	66,193	(66,193)
Reserves	1,904,572	1,385,728	-	1,385,728
Total expenditures	<u>11,522,442</u>	<u>11,522,442</u>	<u>9,675,201</u>	<u>1,847,241</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,916,834)</u>	<u>(1,916,834)</u>	<u>412,788</u>	<u>2,329,622</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing sources and uses	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balances	<u>(1,966,834)</u>	<u>(1,966,834)</u>	<u>362,788</u>	<u>\$ 2,329,622</u>
Fund balances - beginning	<u>1,966,834</u>	<u>1,966,834</u>	<u>2,369,070</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,731,858</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
911 Telephone Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 1,304,618	\$ 1,304,618	\$ 1,263,909	\$ (40,709)
Investment earnings	130,130	130,130	153,593	23,463
Total revenues	<u>1,434,748</u>	<u>1,434,748</u>	<u>1,417,502</u>	<u>(17,246)</u>
EXPENDITURES				
Current:				
Public safety	830,320	830,320	1,171,418	(341,098)
Capital outlay	604,428	604,428	-	604,428
Reserves	1,433,843	1,433,843	-	1,433,843
Total expenditures	<u>2,868,591</u>	<u>2,868,591</u>	<u>1,171,418</u>	<u>1,697,173</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,433,843)</u>	<u>(1,433,843)</u>	<u>246,084</u>	<u>1,679,927</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,000,000)	(2,000,000)	(1,500,000)	500,000
Total other financing sources and uses	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(1,500,000)</u>	<u>500,000</u>
Net change in fund balances	<u>(3,433,843)</u>	<u>(3,433,843)</u>	<u>(1,253,916)</u>	<u>\$ 2,179,927</u>
Fund balances - beginning	<u>3,433,843</u>	<u>3,433,843</u>	<u>3,985,978</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,732,062</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
District Attorney Forfeited Property Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Investment earnings	\$ 764	\$ 764	\$ 1,381	\$ 617
Licenses and permits	19,236	19,236	9,315	(9,921)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>10,696</u>	<u>(9,304)</u>
EXPENDITURES				
Current:				
Public safety	20,000	20,000	14,100	5,900
Reserves	35,311	35,311	-	35,311
Total expenditures	<u>55,311</u>	<u>55,311</u>	<u>14,100</u>	<u>41,211</u>
Excess (deficiency) of revenues				
over (under) expenditures	(35,311)	(35,311)	(3,404)	31,907
Net change in fund balances	(35,311)	(35,311)	(3,404)	<u>\$ 31,907</u>
Fund balances - beginning	35,311	35,311	36,203	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,799</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Sheriff Forfeited Property Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Investment earnings	\$ 8,507	\$ 8,507	\$ 15,939	\$ 7,432
Licenses and permits	60,200	60,200	121,056	60,856
Total revenues	<u>68,707</u>	<u>68,707</u>	<u>136,995</u>	<u>68,288</u>
EXPENDITURES				
Current:				
Public safety	68,707	68,707	(362)	69,069
Reserves	87,608	87,608	-	87,608
Total expenditures	<u>156,315</u>	<u>156,315</u>	<u>(362)</u>	<u>156,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(87,608)</u>	<u>(87,608)</u>	<u>137,357</u>	<u>224,965</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(87,608)</u>	<u>(87,608)</u>	<u>137,357</u>	<u>\$ 224,965</u>
Fund balances - beginning	<u>87,608</u>	<u>87,608</u>	<u>305,774</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,131</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Controlled Substance Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 19,000	\$ 19,000	\$ 9,577	\$ (9,423)
Investment earnings	9,660	9,660	8,371	(1,289)
Total revenues	<u>28,660</u>	<u>28,660</u>	<u>17,948</u>	<u>(10,712)</u>
EXPENDITURES				
Current:				
Public safety	28,660	28,660	-	28,660
Reserves	-	-	-	-
Total expenditures	<u>28,660</u>	<u>28,660</u>	<u>-</u>	<u>28,660</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>17,948</u>	<u>17,948</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>17,948</u>	<u>\$ 17,948</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>189,309</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 207,257</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Alcohol Tax Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 90,000	\$ 90,000	\$ 108,716	\$ 18,716
Investment earnings	1,116	1,116	2,862	1,746
Total revenues	<u>91,116</u>	<u>91,116</u>	<u>111,578</u>	<u>20,462</u>
EXPENDITURES				
Current:				
Public safety	71,319	71,319	55,372	15,947
Reserves	39,237	39,237	-	39,237
Total expenditures	<u>110,556</u>	<u>110,556</u>	<u>55,372</u>	<u>55,184</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,440)</u>	<u>(19,440)</u>	<u>56,206</u>	<u>75,646</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(19,797)	(19,797)	(22,338)	(2,541)
Total other financing sources and uses	<u>(19,797)</u>	<u>(19,797)</u>	<u>(22,338)</u>	<u>(2,541)</u>
Net change in fund balances	<u>(39,237)</u>	<u>(39,237)</u>	<u>33,868</u>	<u>\$ 73,105</u>
Fund balances - beginning	<u>39,237</u>	<u>39,237</u>	<u>54,414</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,282</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Prosecutor Training Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 30,000	\$ 30,000	\$ -	\$ (30,000)
Other	-	-	19,032	19,032
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>19,032</u>	<u>(10,968)</u>
EXPENDITURES				
Current:				
Public safety	30,000	30,000	16,588	13,412
Reserves	14,475	14,475	-	14,475
Total expenditures	<u>44,475</u>	<u>44,475</u>	<u>16,588</u>	<u>27,887</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,475)</u>	<u>(14,475)</u>	<u>2,444</u>	<u>16,919</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(14,475)</u>	<u>(14,475)</u>	<u>2,444</u>	<u>\$ 16,919</u>
Fund balances - beginning	<u>14,475</u>	<u>14,475</u>	<u>1,484</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,928</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Public Works Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 16,418,759	\$ 16,418,759	\$ 16,538,600	\$ 119,841
Intergovernmental	12,731,066	12,731,066	12,488,605	(242,461)
Charges for services	149,539	149,539	133,368	(16,171)
Licenses and permits	18,727	18,727	20,300	1,573
Other	17,647	17,647	35,483	17,836
Total revenues	<u>29,335,738</u>	<u>29,335,738</u>	<u>29,216,356</u>	<u>(119,382)</u>
EXPENDITURES				
Current:				
Public works	11,268,214	11,561,359	10,271,897	1,289,462
Capital outlay	933,716	1,734,675	1,211,788	522,887
Reserves	2,497,977	1,403,873	-	1,403,873
Total expenditures	<u>14,699,907</u>	<u>14,699,907</u>	<u>11,483,685</u>	<u>3,216,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,635,831</u>	<u>14,635,831</u>	<u>17,732,671</u>	<u>3,096,840</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	142,285	142,285	171,767	29,482
Transfers out	(18,553,985)	(18,553,985)	(18,553,985)	-
Total other financing sources and uses	<u>(18,411,700)</u>	<u>(18,411,700)</u>	<u>(18,382,218)</u>	<u>29,482</u>
Net change in fund balances	<u>(3,775,869)</u>	<u>(3,775,869)</u>	<u>(649,547)</u>	<u>\$ 3,126,322</u>
Fund balances - beginning	<u>3,775,869</u>	<u>3,775,869</u>	<u>5,058,367</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,408,820</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Library Special Use Fund
For the Year Ended December 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 2,543,017	\$ 2,543,017	\$ 2,566,279	\$ 23,262
Total revenues	<u>2,543,017</u>	<u>2,543,017</u>	<u>2,566,279</u>	<u>23,262</u>
EXPENDITURES				
Current:				
Culture and recreation	307,441	484,151	188,061	296,090
Capital outlay	100,000	100,000	77,089	22,911
Reserves	304,375	127,665	-	127,665
Total expenditures	<u>711,816</u>	<u>711,816</u>	<u>265,150</u>	<u>446,666</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,831,201</u>	<u>1,831,201</u>	<u>2,301,129</u>	<u>469,928</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	520,000	520,000	520,000	-
Transfers out	(2,741,710)	(2,741,710)	(2,637,115)	104,595
Total other financing sources and uses	<u>(2,221,710)</u>	<u>(2,221,710)</u>	<u>(2,117,115)</u>	<u>104,595</u>
Net change in fund balances	<u>(390,509)</u>	<u>(390,509)</u>	<u>184,014</u>	<u>\$ 574,523</u>
Fund balances - beginning	<u>390,509</u>	<u>390,509</u>	<u>684,461</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 868,475</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
County Building Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 2,153,949	\$ 2,153,949	\$ 2,187,183	\$ 33,234
Investment earnings	39,423	39,423	69,749	30,326
Total revenues	<u>2,193,372</u>	<u>2,193,372</u>	<u>2,256,932</u>	<u>63,560</u>
EXPENDITURES				
Capital outlay	2,405,254	2,405,254	2,353,611	51,643
Reserves	243,033	243,033	-	243,033
Total expenditures	<u>2,648,287</u>	<u>2,648,287</u>	<u>2,353,611</u>	<u>294,676</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(454,915)</u>	<u>(454,915)</u>	<u>(96,679)</u>	<u>358,236</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	211,882	211,882	211,882	-
Total other financing sources and uses	<u>211,882</u>	<u>211,882</u>	<u>211,882</u>	<u>-</u>
Net change in fund balances	<u>(243,033)</u>	<u>(243,033)</u>	<u>115,203</u>	<u>\$ 358,236</u>
Fund balances - beginning	<u>243,033</u>	<u>243,033</u>	<u>685,055</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 800,258</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
911 Wireless Telephone Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Charges for services	\$ 1,300,000	\$ 1,300,000	\$ 1,477,743	\$ 177,743
Investment earnings	37,058	37,058	88,446	51,388
Total revenues	<u>1,337,058</u>	<u>1,337,058</u>	<u>1,566,189</u>	<u>229,131</u>
EXPENDITURES				
Public safety	855,768	855,768	986,142	(130,374)
Reserves	959,260	959,260	-	959,260
Total expenditures	<u>1,815,028</u>	<u>1,815,028</u>	<u>986,142</u>	<u>828,886</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(477,970)</u>	<u>(477,970)</u>	<u>580,047</u>	<u>1,058,017</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(481,290)	(481,290)	-	481,290
Total other financing sources and uses	<u>(481,290)</u>	<u>(481,290)</u>	<u>-</u>	<u>481,290</u>
Net change in fund balances	<u>(959,260)</u>	<u>(959,260)</u>	<u>580,047</u>	<u>\$ 1,539,307</u>
Fund balances - beginning	<u>959,260</u>	<u>959,260</u>	<u>1,583,839</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,163,886</u>	

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Weapons Licensure Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Licenses and permits	\$ 60,000	\$ 60,000	\$ 45,840	\$ (14,160)
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>45,840</u>	<u>(14,160)</u>
EXPENDITURES				
Public safety	60,000	60,000	-	60,000
Reserves	-	-	-	-
Total expenditures	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>45,840</u>	<u>45,840</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>45,840</u>	<u>\$ 45,840</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>82,360</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,200</u>	<u>-</u>

Johnson County, Kansas
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 2,559,917	\$ 2,559,917	\$ 2,594,855	\$ 34,938
Charges for services	8,902	8,902	10,107	1,205
Investment earnings	163,238	163,238	132,862	(30,376)
Total revenues	<u>2,732,057</u>	<u>2,732,057</u>	<u>2,737,824</u>	<u>5,767</u>
EXPENDITURES				
Current:				
Debt Service:				
Principal retirement	9,298,380	9,298,380	7,992,084	1,306,296
Interest and fiscal charges	-	-	1,223,751	(1,223,751)
Reserves	766,163	766,163	-	766,163
Total expenditures	<u>10,064,543</u>	<u>10,064,543</u>	<u>9,215,835</u>	<u>848,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,332,486)</u>	<u>(7,332,486)</u>	<u>(6,478,011)</u>	<u>854,475</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,316,323	2,316,323	2,211,727	(104,596)
Transfer out	-	-	-	-
Bond proceeds & Refunding Bond Issues	-	-	12,586	12,586
Total other financing sources and uses	<u>2,316,323</u>	<u>2,316,323</u>	<u>2,224,313</u>	<u>(92,010)</u>
Net change in fund balances	<u>(5,016,163)</u>	<u>(5,016,163)</u>	<u>(4,253,698)</u>	<u>\$ 762,465</u>
Fund balances - beginning	<u>5,016,163</u>	<u>5,016,163</u>	<u>4,822,736</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 569,038</u>	

Nonmajor Proprietary Funds

Enterprise Funds

Airport – The Airport Fund accounts for all revenues and expenses of the Airport agency, as directed by the Johnson County Airport Commission. The Airport Commission’s primary purpose is two-fold: 1) to develop and operate a system of air transportation facilities that will serve the aviation needs of the region; and 2) to develop and operate an industrial real estate development program that contributes to the economic base of the community. Revenues are derived from hangar rentals, user charges and County tax support. Expenses are for the construction, renovation and operation of two airports and an industrial park with water utility and rail service.

Transportation – The Transportation Fund accounts for all revenues and expenses of the transit and commuter rail programs. The primary purpose of this fund is to implement countywide public transportation services. Revenues are primarily from Federal and State grants and County support.

Internal Service Funds

Risk Management - The Risk Management Fund provides for the procurement, administration, and claims handling of property, liability and workers compensation coverage for the County. This Fund maintains reserves to reimburse the County or County agencies for insurable losses not otherwise insured.

Self-Insured Health Care – The Self-Insured Health Care Fund is used to pool the resources accumulated from the various health (medical, dental and vision) coverage premiums paid by employees through payroll deduction and those paid by the County. These resources are used to pay the expenses related to health care coverage.

Johnson County, Kansas
Combining Statement of Net Assets
Non-Major Enterprise Funds
December 31, 2008

	Business-type Activities - Enterprise Funds		
	Non-Major		
	Airport	Transportation	Total
ASSETS			
Current assets:			
Deposits including investments	\$ 3,787,979	\$ 6,582,997	\$ 10,370,976
Receivables (net of allowance for uncollectibles):			
Total current assets	430,381	474,421	904,802
	4,218,360	7,057,418	11,275,778
Noncurrent assets:			
Capital assets:			
Land	5,025,178	-	5,025,178
Buildings	14,575,148	-	14,575,148
Improvements other than buildings	26,110,986	-	26,110,986
Machinery and equipment	2,577,238	8,890,305	11,467,543
Infrastructure	191,642	-	191,642
Construction in progress	1,774,315	-	1,774,315
Less accumulated depreciation	(23,240,407)	(5,839,136)	(29,079,543)
Total noncurrent assets	27,014,100	3,051,169	30,065,269
TOTAL ASSETS	31,232,460	10,108,587	41,341,047

Johnson County, Kansas
Combining Statement of Net Assets
Non-Major Enterprise Funds
December 31, 2008

	Business-type Activities - Enterprise Funds		
	Non-Major		
	Airport	Transportation	Total
LIABILITIES			
Current liabilities			
Accounts payable	90,128	1,001,698	1,091,826
Salaries and wages payable	39,903	30,761	70,664
Interest payable	116,792	-	116,792
Loans payable	44,843	-	44,843
Due to other funds	423,134	-	423,134
Due to others	34,004	-	34,004
Deferred Revenue	-	2,247,070	2,247,070
Compensated absences	8,833	5,445	14,278
Bonds, capital leases, and other payables	538,562	-	538,562
Total current liabilities	1,296,199	3,284,974	4,581,173
Noncurrent liabilities:			
Compensated absences	117,592	72,485	190,077
Loans payable	107,568	-	107,568
Bonds, capital leases, and other payables	4,925,290	-	4,925,290
Total noncurrent liabilities	5,150,450	72,485	5,222,935
TOTAL LIABILITIES	6,446,649	3,357,459	9,804,108
NET ASSETS			
Invested in capital assets, net of related debt	21,397,837	3,051,169	24,449,006
Restricted	-	-	-
Unrestricted	3,387,974	3,699,959	7,087,933
TOTAL NET ASSETS	\$ 24,785,811	\$ 6,751,128	\$ 31,536,939

Johnson County, Kansas
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Non-Major Enterprise Funds
For the Year Ended December 31, 2008

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Non-Major</u>		
	<u>Airport</u>	<u>Transportation</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 1,070,951	\$ 994,373	\$ 2,065,324
Other	3,957,741	412,546	4,370,287
Total operating revenues	5,028,692	1,406,919	6,435,611
Operating expenses:			
Transportation	3,396,392	8,410,637	11,807,029
Depreciation	1,626,696	1,254,665	2,881,361
Total operating expenses	5,023,088	9,665,302	14,688,390
Operating income (loss)	5,604	(8,258,383)	(8,252,779)
Nonoperating revenues (expenses):			
Taxes	1,823	-	1,823
Investment earnings	30,499	-	30,499
Intergovernmental	182,986	2,122,408	2,305,394
Interest expense	(237,658)	-	(237,658)
Other	19,429	(225)	19,204
Total nonoperating revenues (expenses)	(2,921)	2,122,183	2,119,262
Income (loss) before transfers	2,683	(6,136,200)	(6,133,517)
Transfers in	-	4,599,512	4,599,512
Change in net assets	2,683	(1,536,688)	(1,534,005)
Total net assets - beginning	24,783,128	8,287,816	33,070,944
Total net assets - ending	\$ 24,785,811	\$ 6,751,128	\$ 31,536,939

Johnson County, Kansas
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the year ended December 31, 2008

	Business-type Activities - Enterprise Funds		
	Airport	Transportation	TOTAL
		Non-Major	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 681,756	\$ 3,115,180	\$ 3,796,936
Cash payments for goods and services	(2,347,673)	(7,279,952)	(9,627,625)
Cash payments to employees for services	(1,062,831)	(779,435)	(1,842,266)
Other operating cash receipts	3,855,754	412,546	4,268,300
	1,127,006	(4,531,661)	(3,404,655)
Net cash provided by (used for) operating activities			
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Taxes	1,823	-	1,823
Intergovernmental	182,986	2,122,408	2,305,394
Transfers from other funds	-	4,599,512	4,599,512
	184,809	6,721,920	6,906,729
Net cash provided by noncapital financing activities			
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(2,122,072)	(296,552)	(2,418,624)
Proceeds from bonds and loans	3,465,000	-	3,465,000
Principal paid on bonds, notes and loans	(2,231,493)	-	(2,231,493)
Interest paid on bonds, notes and loans	(180,129)	-	(180,129)
	(1,068,694)	(296,552)	(1,365,246)
Net cash provided by (used for) capital and related financing activities			
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends on investments	30,499	-	30,499
Net cash provided by investing activities	30,499	-	30,499
	273,620	1,893,707	2,167,327
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	3,514,359	4,689,290	8,203,649
Cash and cash equivalents at end of year	\$ 3,787,979	\$ 6,582,997	\$ 10,370,976

(Continued)

Johnson County, Kansas
Combining Statement of Cash Flows
Non-Major Enterprise Funds (Continued)
For the year ended December 31, 2008

	Business-type Activities - Enterprise Funds		
	Airport	Non-Major Transportation	TOTAL
Reconciliation of operating income to net cash provided by (used for) operating activities			
Operating income (loss)	\$ 5,604	\$ (8,258,383)	\$ (8,252,779)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,626,696	1,254,665	2,881,361
Changes in assets and liabilities:			
Decrease in accounts receivable	(389,195)	544,511	155,316
Increase (decrease) in accounts payable	(6,421)	348,401	341,980
Increase (decrease) in salaries and wages payable	(6,270)	1,478	(4,792)
(Decrease) in deferred revenue	(101,987)	1,576,296	1,474,309
Increase (decrease) in compensated absences payable	(1,421)	1,371	(50)
Total adjustments	1,121,402	3,726,722	4,848,124
Net cash provided by (used for) operating activities	\$ 1,127,006	\$ (4,531,661)	\$ (3,404,655)

Johnson County, Kansas
Combining Statement of Net Assets
Internal Service Funds
December 31, 2008

	Risk Management	Self-Insured Health Care	Total
ASSETS			
Current assets:			
Deposits including investments	\$ 11,500,494	\$ 27,996,423	\$ 39,496,917
Receivables (net of allowance for uncollectibles):	88,075	-	88,075
Prepaid items	59,821	-	59,821
Total current assets	11,648,390	27,996,423	39,644,813
Noncurrent assets:			
Capital assets:			
Machinery and equipment	18,317	-	18,317
Less accumulated depreciation	(18,317)	-	(18,317)
Total noncurrent assets	-	-	-
TOTAL ASSETS	11,648,390	27,996,423	39,644,813
LIABILITIES			
Current liabilities			
Accounts payable	9,282	4,553,186	4,562,468
Salaries and wages payable	14,646	10,328	24,974
Compensated absences	3,129	722	3,851
Insurance claims payable	2,328,651	2,095,637	4,424,288
Total current liabilities	2,355,708	6,659,873	9,015,581
Noncurrent liabilities:			
Compensated absences	41,654	9,614	51,268
Total noncurrent liabilities	41,654	9,614	51,268
TOTAL LIABILITIES	2,397,362	6,669,487	9,066,849
NET ASSETS			
Unrestricted	9,251,028	21,326,936	30,577,964
TOTAL NET ASSETS	\$ 9,251,028	\$ 21,326,936	\$ 30,577,964

Johnson County, Kansas
**Combining Statement of Revenues, Expenses,
and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2008**

	Risk Management	Self-Insured Health Care	Total
Operating revenues:			
Charges for services	\$ 4,112,233	\$ 25,685,167	\$ 29,797,400
Other	130,238	3,416	133,654
Total operating revenues	4,242,471	25,688,583	29,931,054
Operating expenses:			
Personal services	368,376	254,532	622,908
Contractual services	3,604,942	30,160,424	33,765,366
Commodities	21,025	73,200	94,225
Depreciation	916	-	916
Total operating expenses	3,995,259	30,488,156	34,483,415
Operating income (loss)	247,212	(4,799,573)	(4,552,361)
Nonoperating revenues (expenses):			
Taxes	2,137	-	2,137
Investment earnings	493,314	1,227,304	1,720,618
Total nonoperating revenues (expenses)	495,451	1,227,304	1,722,755
Income (loss) before transfers	742,663	(3,572,269)	(2,829,606)
Change in net assets	742,663	(3,572,269)	(2,829,606)
Total net assets - beginning	8,508,365	24,899,205	33,407,570
Total net assets - ending	\$ 9,251,028	\$ 21,326,936	\$ 30,577,964

Johnson County, Kansas
Combining Statement of Cash Flows
Internal Service Funds
For the year ended December 31, 2008

	Risk Management	Self-Insured Health Care	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ -	\$ 25,685,167	\$ 25,685,167
Cash payments for goods and services	(3,452,248)	(28,833,494)	(32,285,742)
Cash payments to employees for services	(359,796)	(247,641)	(607,437)
Other operating cash receipts	4,242,471	3,416	4,245,887
Net cash provided by (used for) operating activities	430,427	(3,392,552)	(2,962,125)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Taxes	2,137	-	2,137
Net cash provided by noncapital financing activities	2,137	-	2,137
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	-	-	-
Interest paid on leases	-	-	-
Net cash provided by capital financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends on investments	493,314	1,227,304	1,720,618
Net cash provided by investing activities	493,314	1,227,304	1,720,618
Net increase (decrease) in cash and cash equivalents	925,878	(2,165,248)	(1,239,370)
Cash and cash equivalents at beginning of year	10,574,616	30,161,671	40,736,287
Cash and cash equivalents at end of year	\$ 11,500,494	\$ 27,996,423	\$ 39,496,917

(Continued)

Johnson County, Kansas
Combining Statement of Cash Flows
Internal Service Funds (Continued)
For the year ended December 31, 2008

	Risk Management	Self-Insured Health Care	Total
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 247,212	\$ (4,799,573)	\$ (4,552,361)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	916	-	916
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(88,075)	-	(88,075)
(Increase) in prepaid expenses	(2,948)	-	(2,948)
(Decrease) in accounts payable	(32,795)	898,801	866,006
Increase in salaries and wages payable	1,167	5,224	6,391
Increase in compensated absences payable	7,413	1,667	9,080
Increase in insurance claims payable	297,537	501,329	798,866
Total adjustments	183,215	1,407,021	1,590,236
Net cash provided by (used for) operating activities	\$ 430,427	\$ (3,392,552)	\$ (2,962,125)

Fiduciary Funds

Fiduciary Funds include all Agency Funds which account for assets held by the County as an agent for individuals or other governmental units.

Medical Reimbursement – This fund holds all monies of those County employees who have chosen to designate certain deductions from their salary for the explicit purpose of medical claims or dependent care.

Inmate – This fund holds and administers the combined accounts of the prisoners of the jail. The accounts are owned by the prisoners, and the County acts only as a custodian of these accounts.

Fire Districts – This fund collects tax monies assessed for the general obligation debt of the fire districts.

Tax Collection – This fund collects and distributes taxes for distribution to other County funds and other governmental units.

Johnson County, Kansas
Combining Statement of Fiduciary Net Assets
Agency Funds
December 31, 2008

	Medical Reimbursement	Inmate	Fire Districts	Tax Collection	Totals
ASSETS					
Deposits including investments	\$ 230,993	\$ 42,808	\$ 76,802	\$ 560,973,432	\$ 561,324,035
Receivables (net of allowance for uncollectibles):					
Accounts receivable	-	-	-	-	-
Taxes receivable	-	-	756,156	397,862,042	398,618,198
Total assets	230,993	42,808	832,958	958,835,474	959,942,233
LIABILITIES					
Accounts payable	8,097	-	-	140,244	148,341
Agency obligations	222,896	42,808	832,958	958,695,230	959,793,892
Total liabilities	\$ 230,993	\$ 42,808	\$ 832,958	\$ 958,835,474	\$ 959,942,233

Johnson County, Kansas
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2008

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Medical Reimbursement Fund				
ASSETS				
Deposits including investments	\$ 158,610	\$ 4,040,793	\$ 3,968,410	\$ 230,993
Total assets	\$ 158,610	\$ 4,040,793	\$ 3,968,410	\$ 230,993
LIABILITIES				
Accounts payable	52,716	1,287,892	1,332,511	8,097
Agency obligations	105,894	1,395,643	1,278,641	222,896
Total liabilities	\$ 158,610	\$ 2,683,535	\$ 2,611,152	\$ 230,993
Inmate Fund				
ASSETS				
Deposits including investments	\$ 184,849	\$ 277,922	\$ 419,963	\$ 42,808
Total assets	\$ 184,849	\$ 277,922	\$ 419,963	\$ 42,808
LIABILITIES				
Agency obligations	184,849	277,922	419,963	42,808
Total liabilities	\$ 184,849	\$ 277,922	\$ 419,963	\$ 42,808
Fire Districts Fund				
ASSETS				
Deposits including investments	\$ 120,448	\$ 1,461,896	\$ 1,505,542	\$ 76,802
Taxes receivable	384,651	756,156	384,651	756,156
Total assets	\$ 505,099	\$ 2,218,052	\$ 1,890,193	\$ 832,958
LIABILITIES				
Agency obligations	505,099	2,174,674	1,846,815	832,958
Total liabilities	\$ 505,099	\$ 2,174,674	\$ 1,846,815	\$ 832,958
Tax Collection Fund				
ASSETS				
Deposits including investments	\$ 530,763,223	\$ 6,549,066,976	\$ 6,518,856,767	\$ 560,973,432
Taxes receivable	400,425,100	416,207,061	418,770,119	397,862,042
Total assets	\$ 931,188,323	\$ 6,965,274,037	\$ 6,937,626,886	\$ 958,835,474
LIABILITIES				
Accounts payable	\$ 441,543	\$ 845,738,518	\$ 846,039,817	\$ 140,244
Agency obligations	930,746,780	2,982,607,246	2,954,658,796	958,695,230
Total liabilities	\$ 931,188,323	\$ 3,828,345,764	\$ 3,800,698,613	\$ 958,835,474
Totals - All Agency Funds				
ASSETS				
Deposits including investments	\$ 531,227,130	\$ 6,554,847,587	\$ 6,524,750,682	\$ 561,324,035
Taxes receivable	400,809,751	416,963,217	419,154,770	398,618,198
Total assets	\$ 932,036,881	\$ 6,971,810,804	\$ 6,943,905,452	\$ 959,942,233
LIABILITIES				
Accounts payable	\$ 494,259	\$ 847,026,410	\$ 847,372,328	\$ 148,341
Agency obligations	931,542,622	2,986,455,485	2,958,204,215	959,793,892
Total liabilities	\$ 932,036,881	\$ 3,833,481,895	\$ 3,805,576,543	\$ 959,942,233

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STATISTICAL SECTION

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Statistical Section

The Statistical Section of the Johnson County Comprehensive Annual Financial Report presents detailed information to further understand the information in the financial statements, note disclosures, and required supplementary information. The purpose of this section is to give an indication of the County's overall financial health.

Financial Trends – Provides information to assist readers in understanding how the County's financial performance has changed over time.

Revenue Capacity – Provides information about the County's revenue sources.

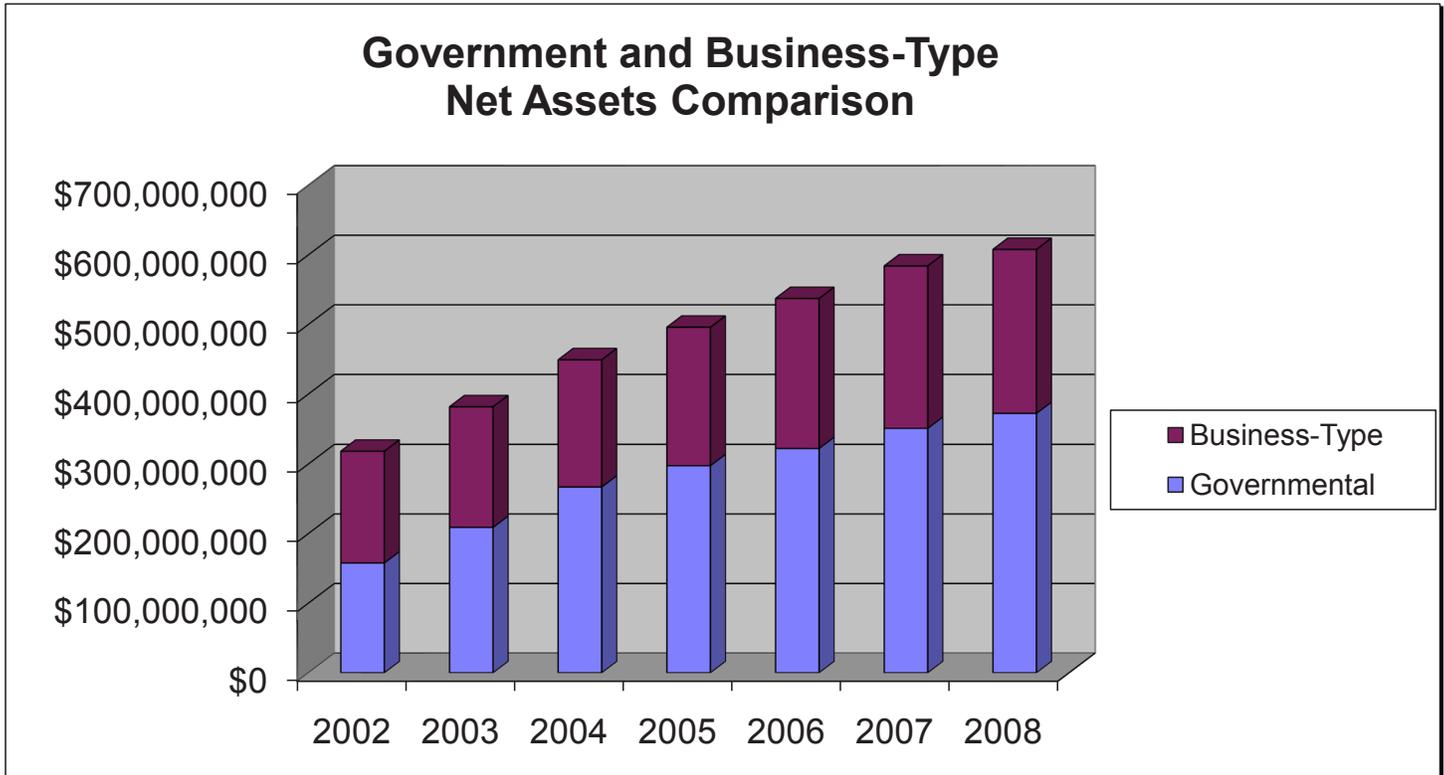
Debt Capacity – Presents information to help the reader understand the County's debt burden and ability to issue additional debt.

Demographic and Economic Information – Provides information about the County's demographic and economic characteristics, including population statistics and employment data.

Operating Information – Assists readers in understanding the overall operations of the County and helps to show the services provided by the County and its economic condition.

Johnson County, Kansas
Net Assets by Component
 Last Seven Fiscal Years (1)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
GOVERNMENTAL ACTIVITIES							
Invested in capital assets, net of related debt	\$ 31,460,772	\$ 54,160,592	\$ 96,741,012	\$ 105,082,458	\$ 112,300,996	\$ 119,244,891	\$ 143,707,961
Restricted for:							
Debt service	3,369,799	1,280,180	5,170,446	5,059,579	5,013,455	4,822,736	283,994
Special revenue funds	5,064,691	6,915,616	28,789,859	30,624,358	35,437,648	40,237,457	43,702,643
Capital projects	-	-	-	-	-	-	-
Public safety	5,946,830	2,475,662	5,760,617	7,778,976	8,238,141	8,930,873	3,013,914
Economic development	2,486,966	2,688,777	2,796,500	3,286,261	3,179,500	3,506,695	4,874,350
Unrestricted	109,513,387	141,464,813	127,755,016	145,803,575	158,247,813	174,092,929	176,757,635
Subtotal Governmental	\$ 157,842,445	\$ 208,985,640	\$ 267,013,450	\$ 297,635,207	\$ 322,417,553	\$ 350,835,581	\$ 372,340,497
BUSINESS-TYPE ACTIVITIES							
Invested in capital assets, net of related debt	\$ 144,357,611	\$ 132,776,317	\$ 168,059,283	\$ 181,469,106	\$ 209,272,291	\$ 214,915,235	\$ 214,435,443
Restricted for:							
Debt service	7,668,962	26,784,007	-	-	-	-	-
Unrestricted	8,548,463	13,198,860	14,245,724	16,954,281	5,730,092	18,458,671	21,161,685
Subtotal Business-Type	\$ 160,575,036	\$ 172,759,184	\$ 182,305,007	\$ 198,423,387	\$ 215,002,383	\$ 233,373,906	\$ 235,597,128
PRIMARY GOVERNMENT							
Invested in capital assets, net of related debt	\$ 175,818,383	\$ 186,936,909	\$ 264,800,295	\$ 286,551,564	\$ 321,573,287	\$ 334,160,126	\$ 358,143,404
Restricted for:							
Debt service	11,038,761	28,064,187	5,170,446	5,059,579	5,013,455	4,822,736	283,994
Special revenue funds	5,064,691	6,915,616	28,789,859	30,624,358	35,437,648	40,237,457	43,702,643
Public safety	5,946,830	2,475,662	5,760,617	7,778,976	8,238,141	8,930,873	3,013,914
Economic development	2,486,966	2,688,777	2,796,500	3,286,261	3,179,500	3,506,695	4,874,350
Unrestricted	118,061,850	154,663,673	142,000,740	162,757,856	163,977,905	192,551,600	197,919,320
TOTAL NET ASSETS	\$ 318,417,481	\$ 381,744,824	\$ 449,318,457	\$ 496,058,594	\$ 537,419,936	\$ 584,209,487	\$ 607,937,625



(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

Johnson County, Kansas
Changes in Net Assets
Last Seven Fiscal Years (1)

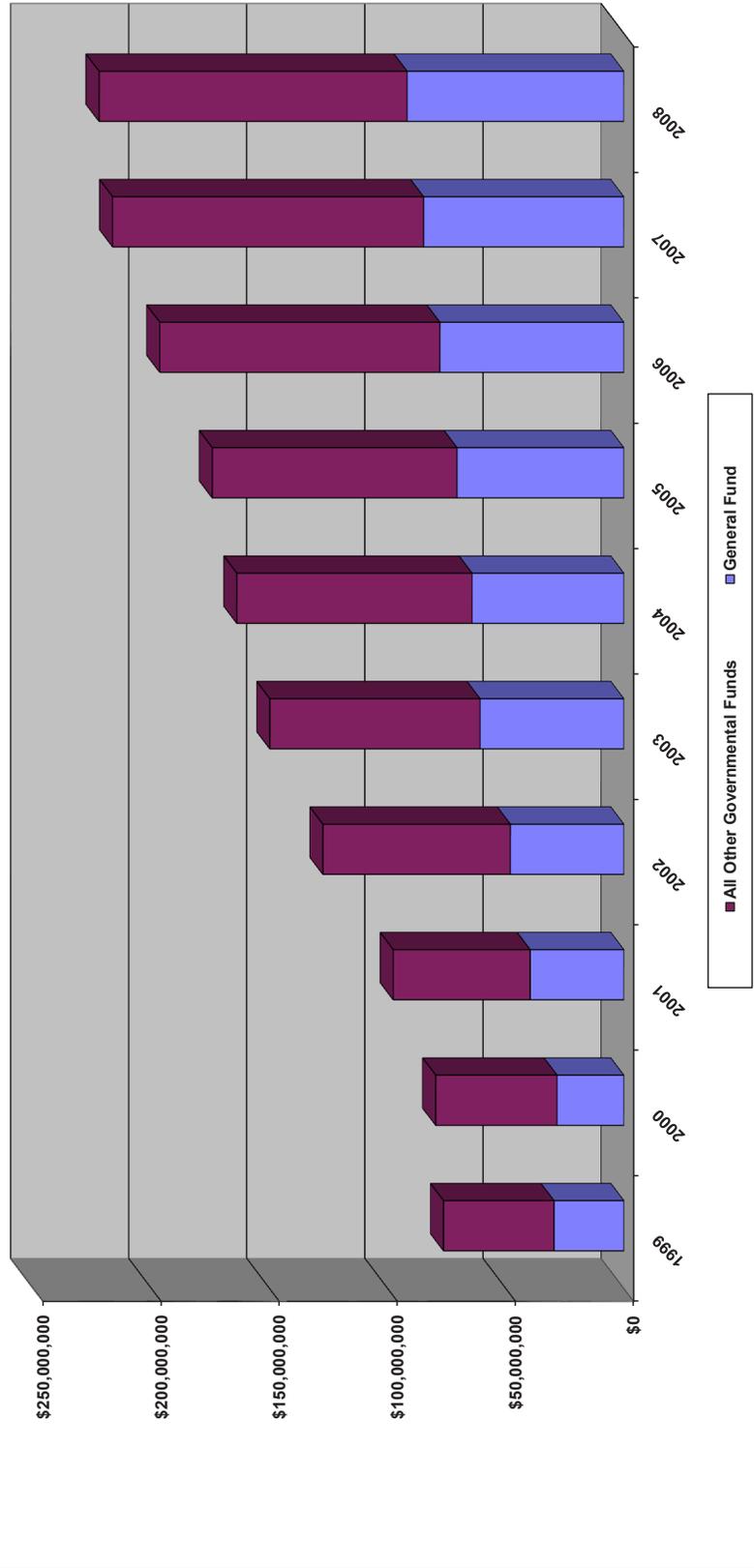
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Expenses:							
Governmental Activities:							
General government	\$ 50,284,974	\$ 49,180,792	\$ 60,676,762	\$ 57,723,271	\$ 65,528,919	\$ 71,261,191	\$ 73,360,726
Public works	9,375,032	17,356,137	46,141,076	41,812,063	48,494,629	54,349,008	46,845,970
Public safety	79,005,024	85,781,826	99,465,273	105,164,200	113,339,836	123,123,775	127,137,837
Health and human services	57,420,327	60,878,938	69,833,911	73,171,512	78,104,338	81,034,438	82,910,854
Planning and economic development	4,668,756	16,774,636	22,627,432	22,818,084	23,774,305	23,527,172	23,110,110
Culture and recreation	19,083,667	18,527,258	19,196,126	20,143,713	21,322,091	22,555,476	23,033,442
Interest on long term debt	2,167,580	1,752,795	1,568,926	1,547,167	1,515,485	1,407,149	1,092,150
Total governmental activities	\$ 222,005,360	\$ 250,252,382	\$ 319,509,506	\$ 322,380,010	\$ 352,079,603	\$ 377,258,209	\$ 377,491,089
Business Type activities:							
Nursing Center (2)	\$ 5,554,810	\$ 132,128	\$ -	\$ -	\$ -	\$ -	\$ -
Airport	4,928,643	4,358,253	4,350,789	4,629,785	4,588,078	4,700,347	5,131,328
Unified Wastewater District	52,803,405	48,892,044	48,281,549	49,077,830	53,460,298	52,961,673	63,434,950
Transportation	5,065,990	4,445,491	6,769,281	7,884,696	8,001,184	8,422,381	9,289,931
Public Building Commission	4,733,596	4,026,778	4,842,512	5,497,373	6,980,764	8,258,489	7,804,136
Total business type activities	\$ 73,086,444	\$ 61,854,694	\$ 64,244,131	\$ 67,089,684	\$ 73,030,324	\$ 74,342,890	\$ 85,660,345
Program Revenues:							
Governmental Activities:							
Charges for Service:							
General government	\$ 30,537,186	\$ 35,222,590	\$ 46,120,163	\$ 46,929,062	\$ 47,725,673	\$ 50,432,484	\$ 43,749,639
Public works	299,135	132,320	861,723	379,125	242,130	322,690	35,493
Public safety	7,105,039	7,263,455	9,826,191	12,575,449	12,211,065	13,334,433	9,072,340
Health and human services	18,251,244	20,210,338	23,649,404	22,586,504	23,030,979	24,763,252	25,372,061
Planning and economic development	1,324,015	1,014,611	1,047,850	894,717	1,050,186	1,411,679	1,202,539
Culture and recreation	1,802,256	2,190,637	989,122	1,088,009	677,491	1,453,552	-
Operating Grants and Contributions	48,474,026	42,681,643	41,185,436	47,217,302	43,643,321	45,264,428	47,057,433
Capital Grants and Contributions	220,974	150,984	38,563	144,596	411,553	239,364	203,989
Total governmental activities	\$ 108,013,875	\$ 108,866,578	\$ 123,718,452	\$ 131,814,764	\$ 128,992,398	\$ 137,221,882	\$ 126,693,494
Business Type activities:							
Charges for Service:							
Nursing Center (2)	\$ 4,412,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Airport	4,021,032	6,315,259	4,143,541	4,576,078	4,298,079	4,557,409	5,028,692
Unified Wastewater District	27,434,163	52,811,119	57,253,211	61,205,283	60,166,648	65,304,524	62,064,357
Transportation	628,015	615,681	1,262,445	653,561	785,852	989,990	1,406,919
Public Building Commission	8,210,982	7,983,410	6,053,241	7,607,682	9,555,791	8,977,685	10,084,842
Operating Grants and Contributions	3,331,453	2,441,767	3,638,036	6,907,341	3,212,441	4,414,815	2,278,863
Capital Grants and Contributions	-	665,124	250,000	250,000	2,865,994	833,630	26,531
Total business type activities	\$ 43,625,645	\$ 70,832,360	\$ 72,600,474	\$ 81,199,945	\$ 80,884,805	\$ 85,078,053	\$ 80,890,204
Net (Expense)/Revenue:							
Governmental Activities	\$ (113,991,485)	\$ (141,385,804)	\$ (194,506,820)	\$ (189,450,094)	\$ (221,394,136)	\$ (238,291,204)	\$ (248,604,941)
Business Type Activities	(25,048,637)	8,977,666	7,072,109	12,995,109	6,161,412	8,990,041	(6,962,795)
Total primary government net expense	\$ (139,040,122)	\$ (132,408,138)	\$ (187,434,711)	\$ (176,454,985)	\$ (215,232,724)	\$ (229,301,163)	\$ (255,567,736)
General Revenues:							
Governmental Activities:							
Property Taxes	\$ 122,925,567	\$ 129,336,256	\$ 138,924,881	\$ 142,123,808	\$ 161,876,560	\$ 173,957,923	\$ 184,292,683
Sales Taxes	36,744,322	52,022,478	61,866,361	63,507,087	65,068,745	66,816,061	63,684,470
Other Taxes	1,891,033	1,840,375	1,801,971	1,675,701	1,816,751	1,646,312	1,639,876
Unrestricted Investment Earnings	10,023,114	5,865,168	2,557,593	8,887,382	17,540,871	21,489,622	19,525,362
Miscellaneous	4,502,114	5,049,029	5,292,434	5,330,684	5,940,737	6,496,744	6,235,870
Transfers	(1,537,421)	(1,584,307)	(2,412,820)	(1,452,811)	(6,067,182)	(3,697,429)	(5,268,404)
Total governmental activities	\$ 174,548,729	\$ 192,528,999	\$ 208,030,420	\$ 220,071,851	\$ 246,176,482	\$ 266,709,232	\$ 270,109,857
Business Type activities:							
Property Taxes	\$ 20,586,267	\$ 1,056,220	\$ 298,269	\$ 96,355	\$ 59,615	\$ 8,237	\$ 3,949
Other Taxes	4,451	4,451	4,451	4,451	91	-	-
Unrestricted Investment Earnings	3,639,452	561,504	(241,826)	1,569,654	4,290,696	5,675,816	3,811,399
Miscellaneous	-	-	-	-	-	-	102,266
Transfers	1,537,421	1,584,307	2,412,820	1,452,811	6,067,182	3,697,429	5,268,404
Total business type activities	\$ 25,767,591	\$ 3,206,482	\$ 2,473,714	\$ 3,123,271	\$ 10,417,584	\$ 9,381,482	\$ 9,186,018
Change in Net Assets:							
Governmental Activities	\$ 60,557,244	\$ 51,143,195	\$ 13,523,600	\$ 30,621,757	\$ 24,782,346	\$ 28,418,028	\$ 21,504,916
Business Type Activities	718,954	12,184,148	9,545,823	16,118,380	16,578,996	18,371,523	2,223,223
Total Primary Government	\$ 61,276,198	\$ 63,327,343	\$ 23,069,423	\$ 46,740,137	\$ 41,361,342	\$ 46,789,551	\$ 23,728,139

(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.
(2) Nursing Center was no longer part of County after 2002.

Johnson County, Kansas
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
GENERAL FUND										
Reserved	\$ 1,391,068	\$ 8,723,875	\$ 7,942,727	\$ 10,515,520	\$ 7,337,286	\$ 10,358,682	\$ 12,292,496	\$ 12,740,589	\$ 14,280,139	\$ 10,196,363
Unreserved, reported in:	9,120,838	-	-	-	-	-	-	-	-	-
Designated for public safety	-	-	-	-	-	-	-	-	-	-
Designated for capital expenditures	12,083,443	12,989,712	14,571,462	16,957,879	18,837,308	11,696,899	12,523,195	13,504,578	13,844,930	15,781,297
Designated for working capital	3,187,391	3,609,273	4,123,611	2,378,595	5,204,772	3,361,166	6,412,421	3,372,771	2,592,186	3,075,830
Designated for restricted agencies	3,820,865	2,993,176	13,045,631	18,226,633	29,517,313	38,850,563	39,404,783	48,291,140	54,080,473	62,745,436
General fund	\$ 29,603,605	\$ 28,316,036	\$ 39,683,431	\$ 48,078,627	\$ 60,896,679	\$ 64,267,310	\$ 70,632,895	\$ 77,909,078	\$ 84,797,728	\$ 91,798,926
Total General Fund										
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ 430,769	\$ 17,932	\$ -	\$ 10,003,840	\$ 5,114,720	\$ 32,438,475	\$ 31,603,443	\$ 31,851,111	\$ 30,909,707	\$ 29,981,344
Unreserved, reported in:	476,358	402,129	364,114	286,241	-	-	-	-	-	-
Designated for working capital	3,776,553	3,620,639	3,738,203	3,083,558	1,280,180	793,061	717,227	701,097	541,116	569,038
Debt service fund	32,748,654	35,668,397	39,801,963	43,701,290	57,234,771	37,975,213	41,456,477	51,446,053	61,966,839	58,256,420
Capital projects fund	9,309,726	11,623,526	14,016,456	22,263,137	25,345,525	28,351,005	29,821,286	34,527,447	38,199,483	41,532,252
Special revenue funds	\$ 46,742,060	\$ 51,332,623	\$ 57,920,736	\$ 79,338,066	\$ 88,975,196	\$ 99,557,754	\$ 103,598,433	\$ 118,525,708	\$ 131,617,145	\$ 130,339,054
Total All Other Governmental Funds										

Governmental Fund Balances

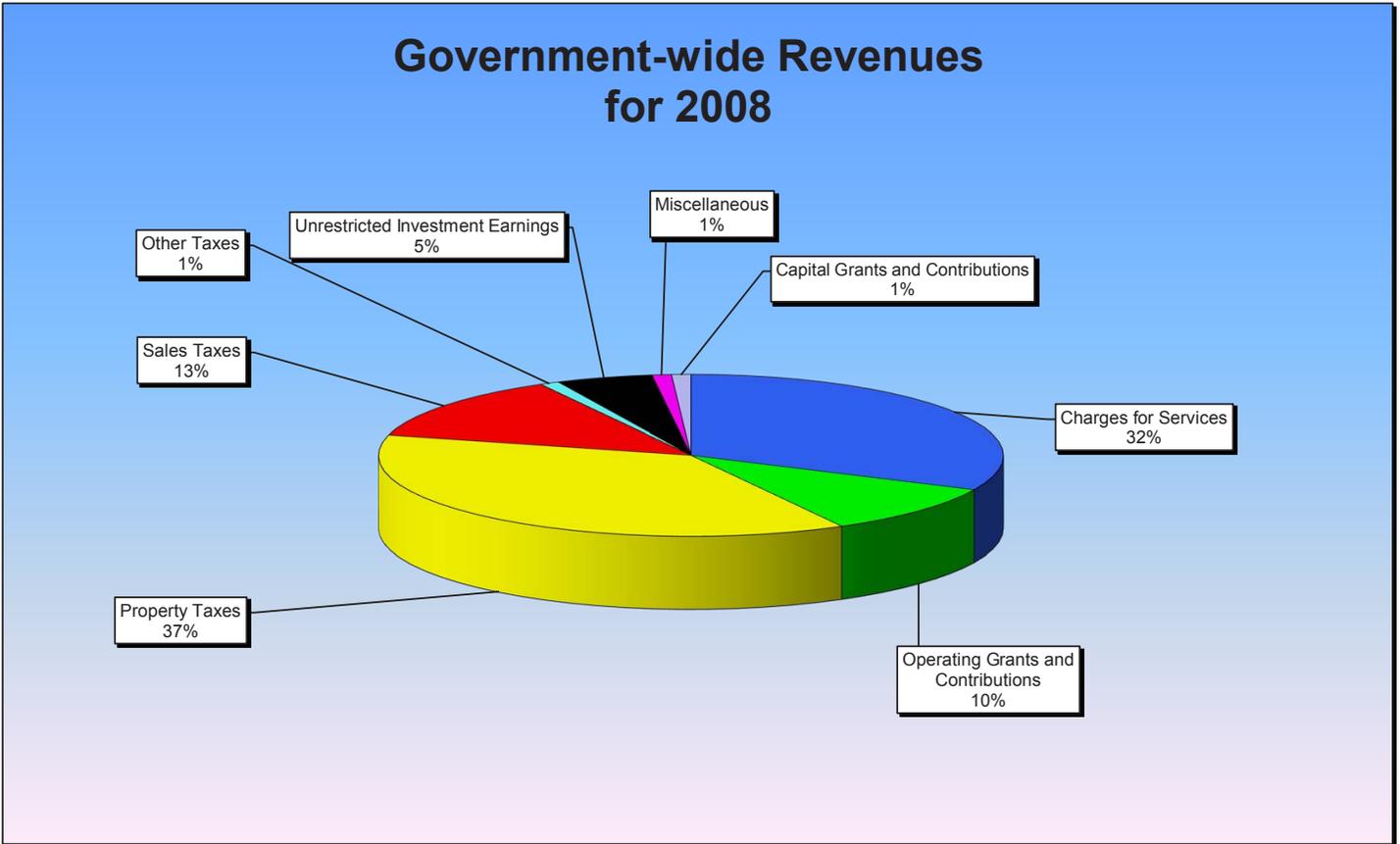


Johnson County, Kansas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUES										
Taxes	\$ 116,808,420	\$ 134,536,622	\$ 146,280,731	\$ 160,713,653	\$ 182,329,357	\$ 201,699,087	\$ 207,194,978	\$ 228,735,916	\$ 242,417,134	\$ 249,614,892
Intergovernmental	43,363,944	46,489,202	50,071,946	48,695,000	42,832,627	41,223,999	47,361,898	44,054,874	45,503,792	47,261,422
Charges for services	50,316,856	48,765,482	59,025,807	67,753,459	76,561,352	76,931,093	76,198,339	83,065,113	87,704,135	83,487,583
Interest	6,493,185	11,747,633	11,206,395	9,319,555	5,199,255	1,949,897	8,043,217	16,182,301	19,441,431	17,804,744
Licenses and permits	1,039,316	992,681	1,193,221	2,377,091	2,585,110	3,034,763	2,948,228	3,719,810	3,331,951	2,682,432
Other	3,974,515	4,460,497	5,921,522	4,502,114	5,049,029	5,292,434	5,330,683	5,940,737	6,496,744	6,235,870
Total Revenues	221,996,236	246,992,117	273,699,622	293,360,872	314,556,730	330,127,273	347,077,343	381,698,751	404,895,187	407,086,943
EXPENDITURES										
General government	40,683,396	43,688,247	46,467,371	53,288,036	50,233,878	56,705,353	59,300,779	62,833,222	64,737,243	70,963,960
Public works and transportation	11,026,054	11,771,384	13,152,779	8,905,386	9,089,124	9,175,398	9,469,202	9,751,395	9,986,468	10,580,267
Public safety	61,297,288	65,749,036	72,744,844	79,797,881	90,102,027	97,312,476	102,828,116	111,279,298	118,165,755	123,645,258
Health and human services	47,318,351	49,347,439	53,986,476	59,491,743	63,504,096	69,064,765	72,589,932	76,682,752	80,338,521	81,311,709
Planning and economic development	3,844,708	4,269,052	4,129,758	4,964,795	17,119,716	22,602,954	22,795,210	23,746,721	23,485,399	23,070,417
Culture and recreation	13,404,804	14,085,369	16,057,131	16,974,597	17,571,798	18,089,705	19,109,616	20,239,177	21,600,355	22,041,905
Capital outlay	11,209,038	11,325,703	11,068,501	44,269,716	36,608,636	39,189,824	45,012,838	43,710,803	57,852,307	55,275,777
Debt service:										
Principal	6,087,066	6,340,353	6,095,353	7,031,653	4,143,660	4,069,122	3,823,047	3,802,962	3,728,208	9,392,084
Interest	2,067,759	2,180,809	2,158,140	2,089,246	1,768,666	1,614,403	1,567,192	1,482,843	1,359,990	1,236,641
Total Expenditures	196,938,464	208,757,392	225,860,353	276,813,053	290,141,601	317,824,000	336,495,932	353,529,173	381,254,246	397,518,018
Excess of revenues over (under) expenditures	25,057,772	38,234,725	47,839,269	16,547,819	24,415,129	12,303,273	10,581,411	28,169,578	23,640,941	9,568,925
OTHER FINANCING SOURCES (USES)										
Transfers in	4,758,548	4,637,322	4,917,254	43,860,280	38,881,140	43,501,298	42,588,157	49,004,640	62,157,379	49,140,806
Transfers out	(32,115,923)	(42,860,960)	(38,947,600)	(47,073,754)	(41,846,547)	(46,296,382)	(44,040,969)	(54,986,983)	(65,854,808)	(54,409,210)
Proceeds from capital lease	246,980	372,164	13,019	79,390	20,460	-	26,320	16,223	36,575	-
General obligation	-	-	-	10,415,000	985,000	-	-	-	-	-
Refunding bonds issued	-	-	-	12,477,978	-	4,445,000	1,245,000	-	-	1,410,000
Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	(12,556,312)	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	6,345	-	-	12,586
Total other financing sources and uses	(27,110,395)	(37,851,474)	(34,017,327)	7,202,582	(1,959,947)	1,649,916	(175,147)	(5,966,120)	(3,660,854)	(3,845,816)
NET CHANGE IN FUND BALANCES	\$ (2,052,623)	\$ 383,251	\$ 13,821,942	\$ 23,750,401	\$ 22,455,182	\$ 13,953,189	\$ 10,406,264	\$ 22,203,458	\$ 19,980,087	\$ 5,723,107
Debt service as a percentage of noncapital expenditures	4.39%	4.81%	4.41%	4.14%	2.71%	2.68%	1.96%	1.80%	1.66%	3.33%

**Johnson County, Kansas
Government-wide Revenues
Last Seven Fiscal Years (1)**

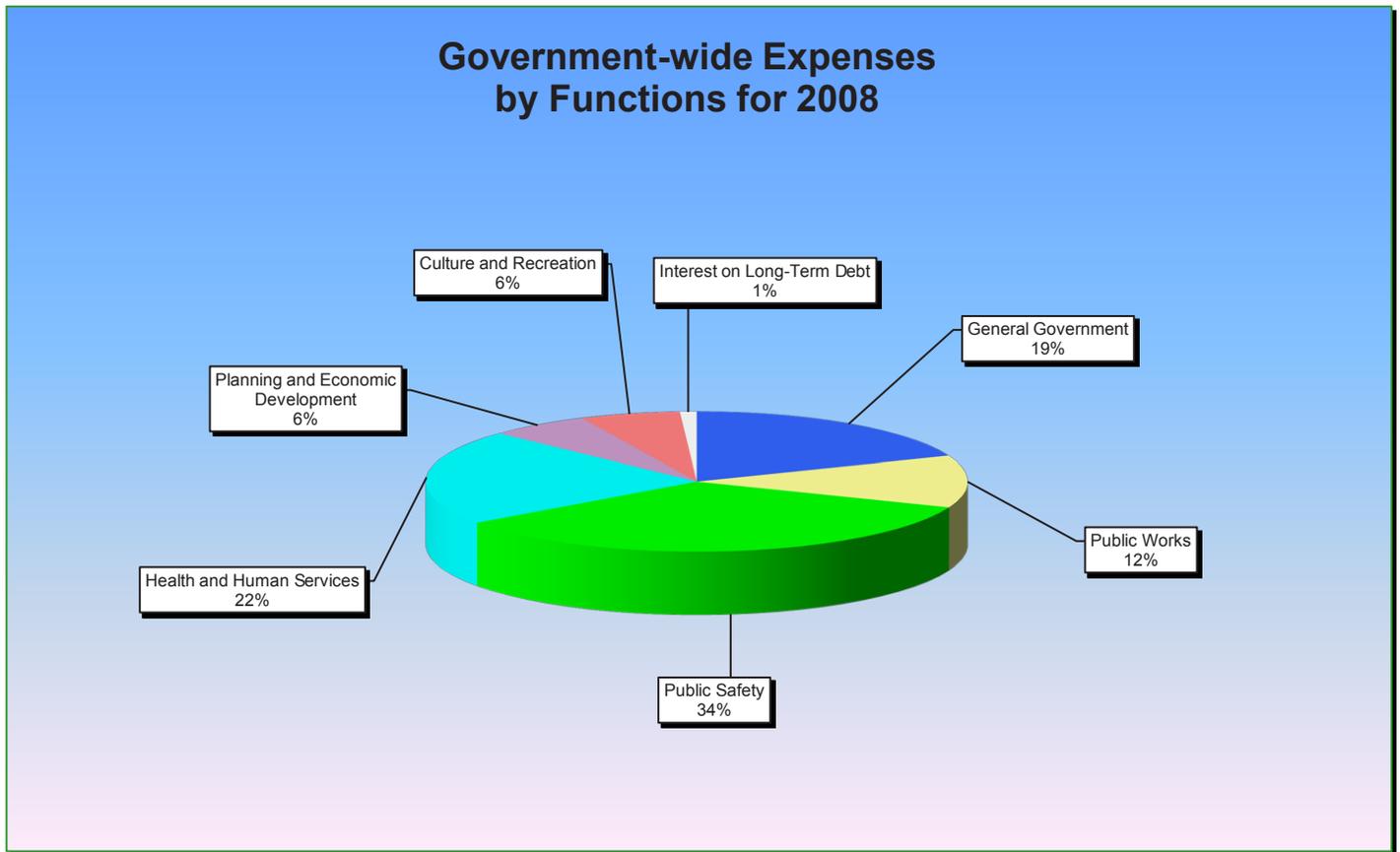
Fiscal Year	Program Revenues			General Revenues						Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Property Taxes	Sales Taxes	Other Taxes	Unrestricted Investment Earnings	Miscellaneous		
2008	\$ 158,016,882	\$ 49,336,296	\$ 230,520	\$ 184,296,632	\$ 63,684,470	\$ 1,639,876	\$ 23,336,761	\$ 6,338,136	\$ 486,879,573	
2007	171,547,698	49,679,243	1,072,994	173,966,160	66,816,061	1,646,312	27,165,438	6,496,744	498,390,650	
2006	159,743,894	46,855,762	3,277,547	161,936,175	65,068,745	1,816,842	21,831,567	5,940,737	466,471,269	
2005	158,495,470	54,124,643	394,596	142,220,163	63,507,087	1,680,152	10,457,036	5,330,684	436,209,831	
2004	151,206,891	44,823,472	288,563	139,223,150	61,866,361	1,806,422	2,315,767	5,292,434	406,823,060	
2003	133,759,420	45,123,410	816,108	130,392,476	52,022,478	1,844,826	6,426,672	5,049,029	375,434,419	
2002	104,025,229	51,805,479	220,974	143,511,834	36,744,322	1,895,484	13,662,566	4,502,114	356,368,002	



(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

Johnson County, Kansas
Government-wide Expenses by Function
Last Seven Fiscal Years (1)

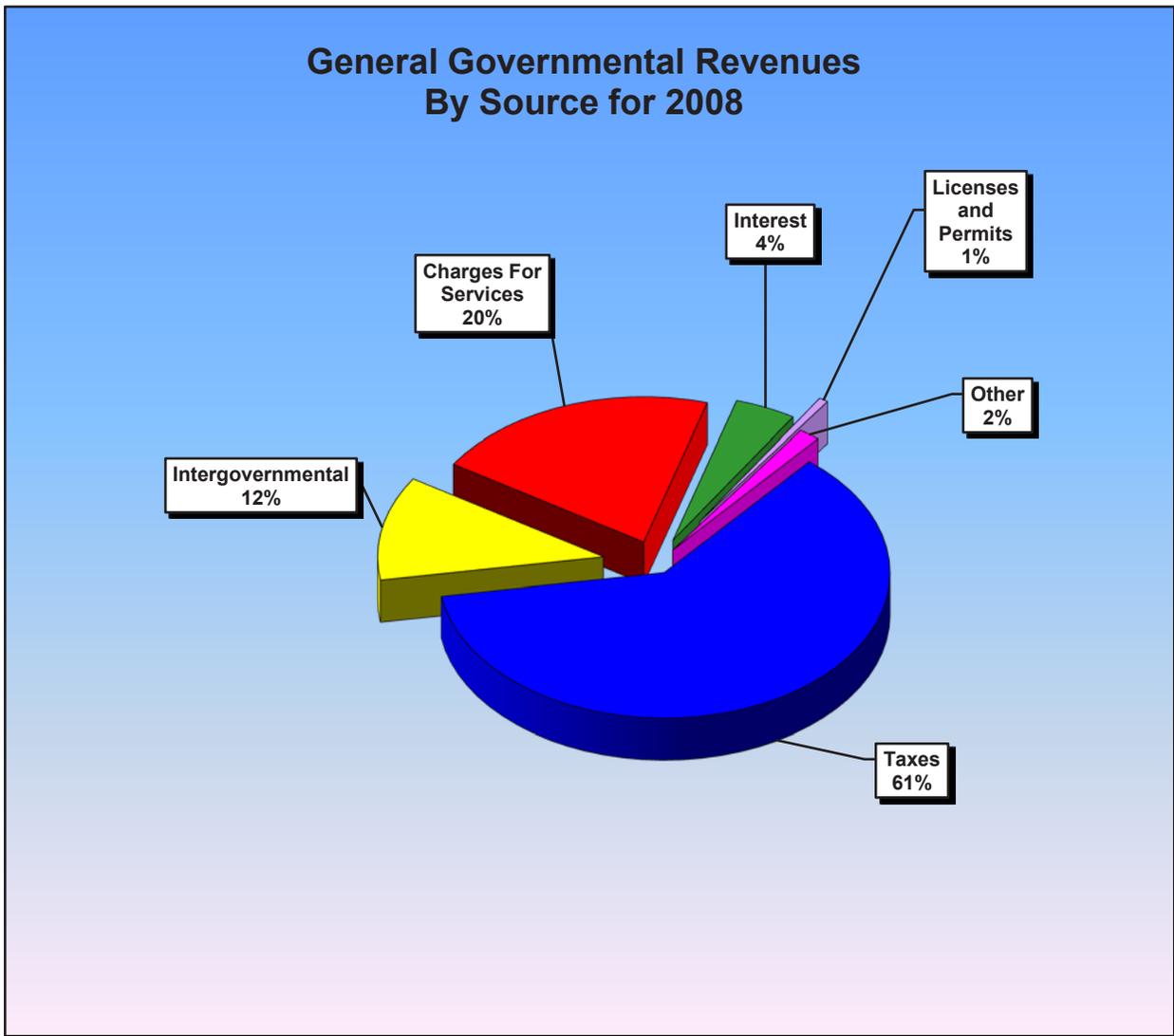
Fiscal Year	General Government	Public Works	Public Safety	Health and Human Services	Planning and Economic Development	Culture and Recreation	Interest on Long-Term Debt	Total
2008	\$ 73,360,726	\$ 46,845,970	\$ 127,137,837	\$ 82,910,854	\$ 23,110,110	\$ 23,033,442	\$ 1,092,150	\$ 377,491,089
2007	71,261,191	54,349,008	123,123,775	81,034,438	23,527,172	22,555,476	1,407,149	377,258,209
2006	65,528,919	48,494,629	113,339,836	78,104,338	23,774,305	21,322,091	1,515,485	352,079,603
2005	57,723,271	41,812,063	105,164,200	73,171,512	22,818,084	20,143,713	1,547,167	322,380,010
2004	46,402,188	46,987,125	107,125,841	73,812,912	23,006,309	19,321,971	1,568,926	318,225,272
2003	49,180,792	17,356,137	85,781,826	60,878,938	16,774,636	18,527,258	1,752,795	250,252,382
2002	50,284,974	9,375,032	79,005,024	57,420,327	4,668,756	19,083,667	2,167,580	222,005,360



(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

Johnson County, Kansas
General Governmental Revenues by Source
Last Ten Fiscal Years

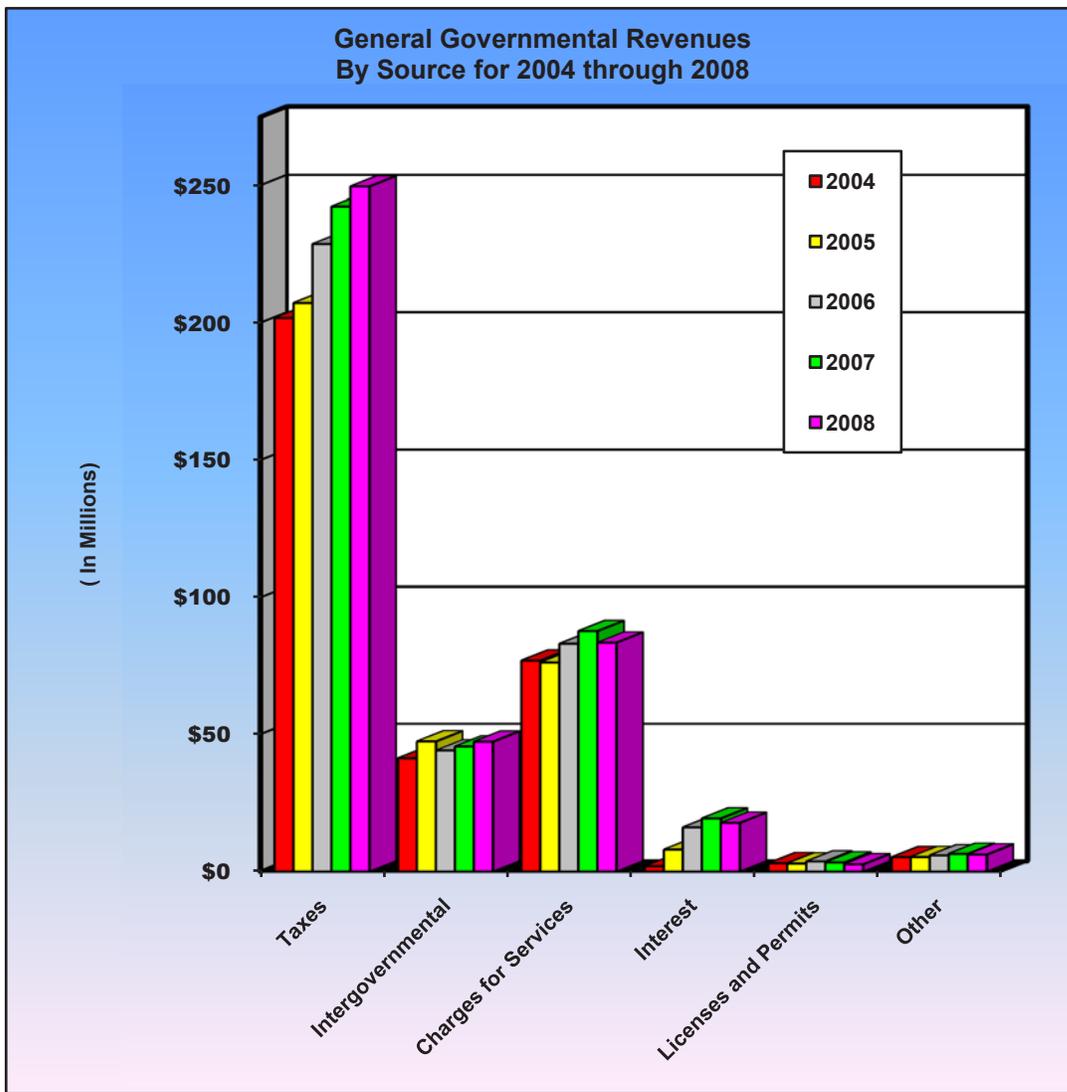
Fiscal Year	Taxes	Intergovernmental	Charges for Services	Interest
2008	\$ 249,614,892	\$ 47,261,422	\$ 83,487,583	\$ 17,804,744
2007	242,417,134	45,503,792	87,704,135	19,441,431
2006	228,735,916	44,054,874	83,065,113	16,182,301
2005	207,194,978	47,361,898	76,198,339	8,043,217
2004	201,699,087	41,223,999	76,931,093	1,945,897
2003	182,329,357	42,832,627	76,561,352	5,199,255
2002	160,713,653	48,695,000	67,753,459	9,319,555
2001	146,280,731	50,071,946	59,025,807	11,206,395
2000	134,536,622	46,489,202	48,765,482	11,747,633
1999	116,808,420	43,363,944	50,316,856	6,493,185



(1) Revenues include general, special revenue, and debt service funds.

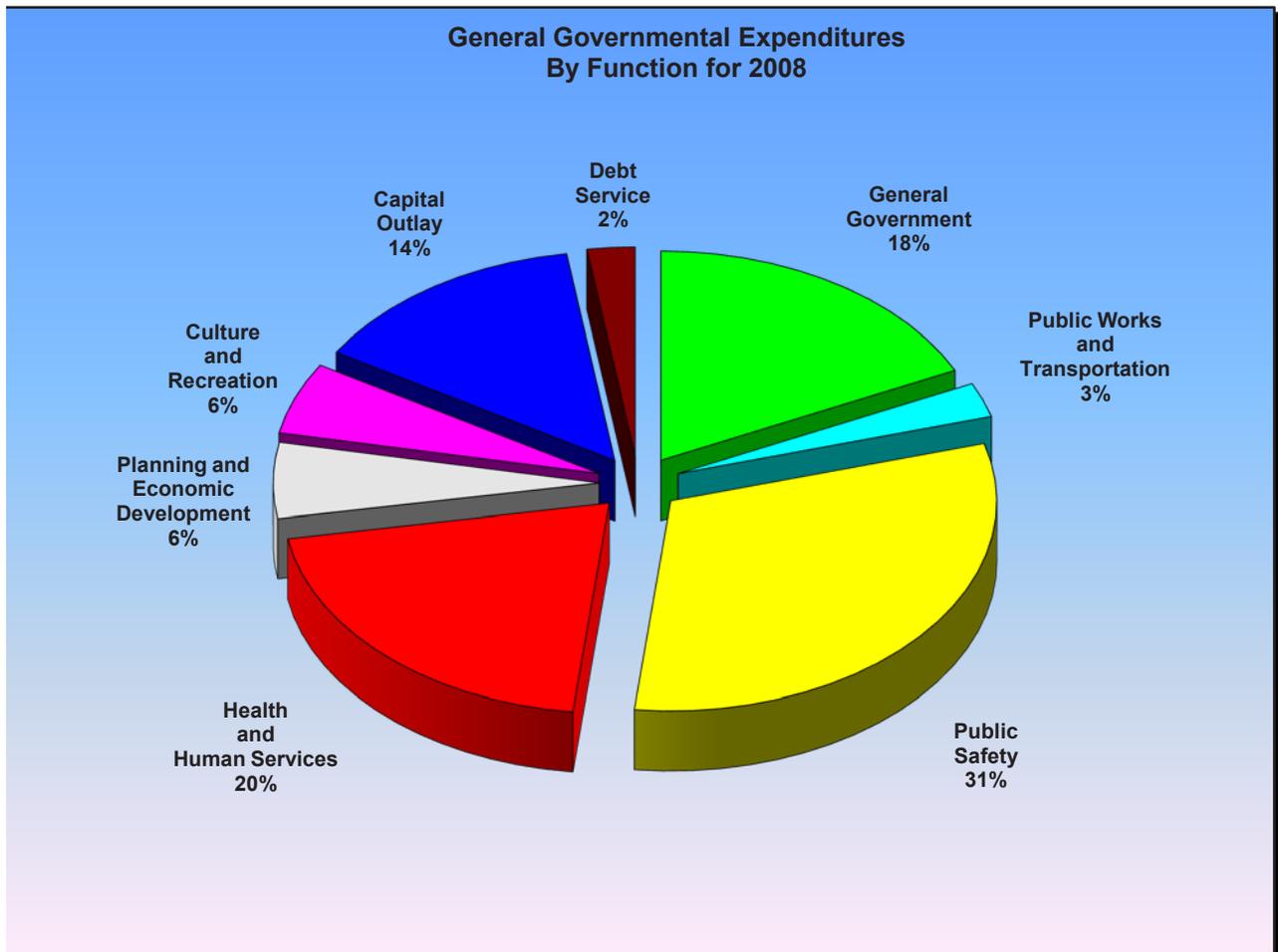
Johnson County, Kansas
General Governmental Revenues by Source
Last Ten Fiscal Years

Licenses and Permits	Other	Total (1)	Fiscal Year
\$ 2,682,432	\$ 6,235,870	\$ 407,086,943	2008
3,331,951	6,496,744	404,895,187	2007
3,719,810	5,940,737	381,698,751	2006
2,948,228	5,330,683	347,077,343	2005
3,034,763	5,292,434	330,127,273	2004
2,585,110	5,049,029	314,556,730	2003
2,377,091	4,502,114	293,360,872	2002
1,193,221	5,921,522	273,699,622	2001
992,681	4,460,497	246,992,117	2000
1,039,316	3,974,515	221,996,236	1999



Johnson County, Kansas
General Governmental Expenditures by Function
Last Ten Fiscal Years

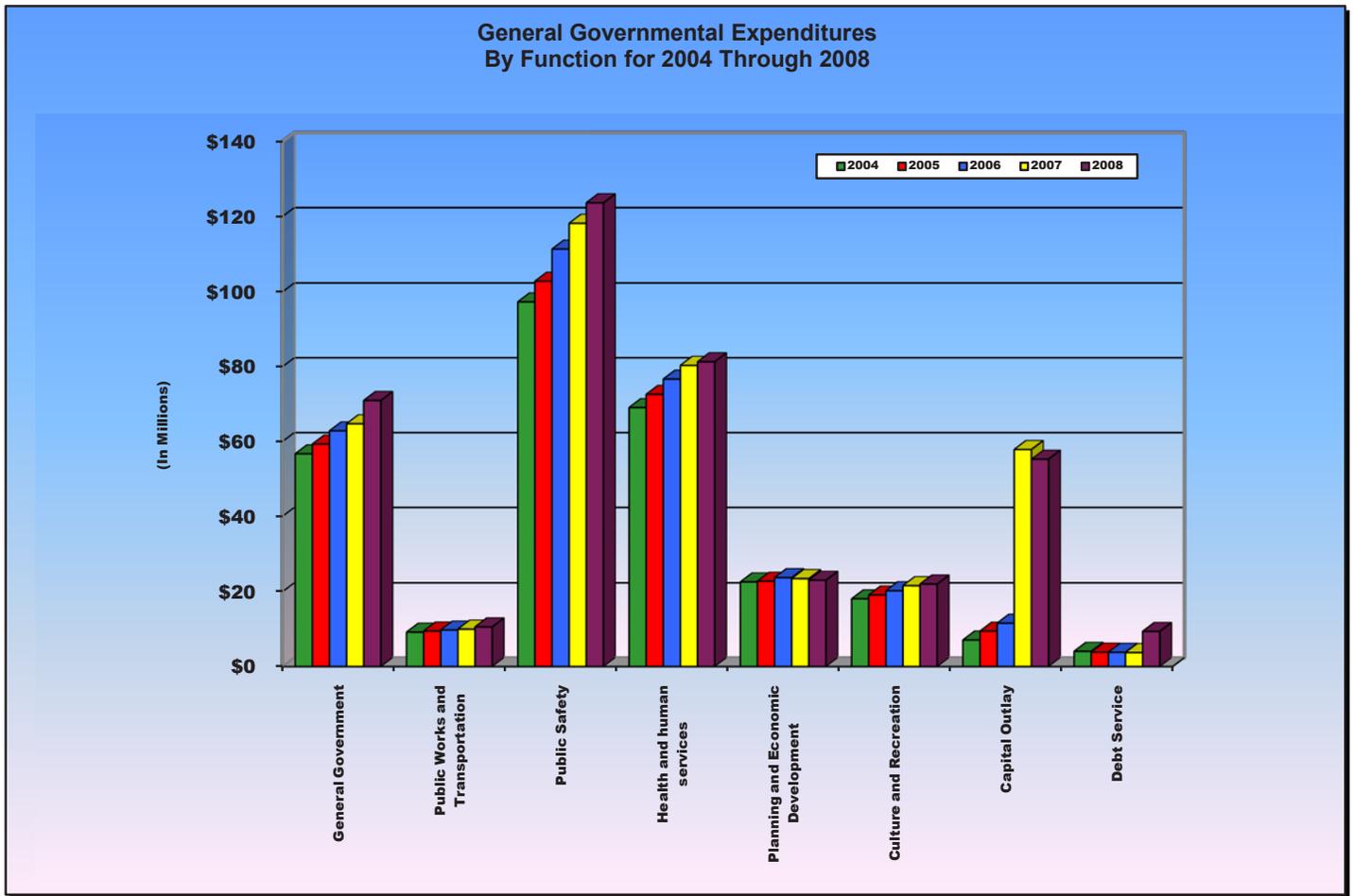
Fiscal Year	General Government	Public Works and Transportation	Public Safety	Health and Human Services	Planning and Economic Development
2008	\$ 70,963,960	\$ 10,580,267	\$ 123,645,258	\$ 81,311,709	\$ 23,070,417
2007	64,737,243	9,986,468	118,165,755	80,338,521	23,485,399
2006	62,833,222	9,751,395	111,279,298	76,682,752	23,746,721
2005	59,300,779	9,469,202	102,828,116	72,589,932	22,795,210
2004	56,705,353	9,175,398	97,312,476	69,064,765	22,602,954
2003	50,233,878	9,089,124	90,102,027	63,504,096	17,119,716
2002	53,288,036	8,905,386	79,797,881	59,491,743	4,964,795
2001	46,467,371	13,152,779	72,744,844	53,986,476	4,129,758
2000	43,688,247	11,771,384	65,749,036	49,347,439	4,269,052
1999	40,683,396	11,026,054	61,297,288	47,318,351	3,844,708



(1) Expenditures include general, special revenue, and debt service funds.

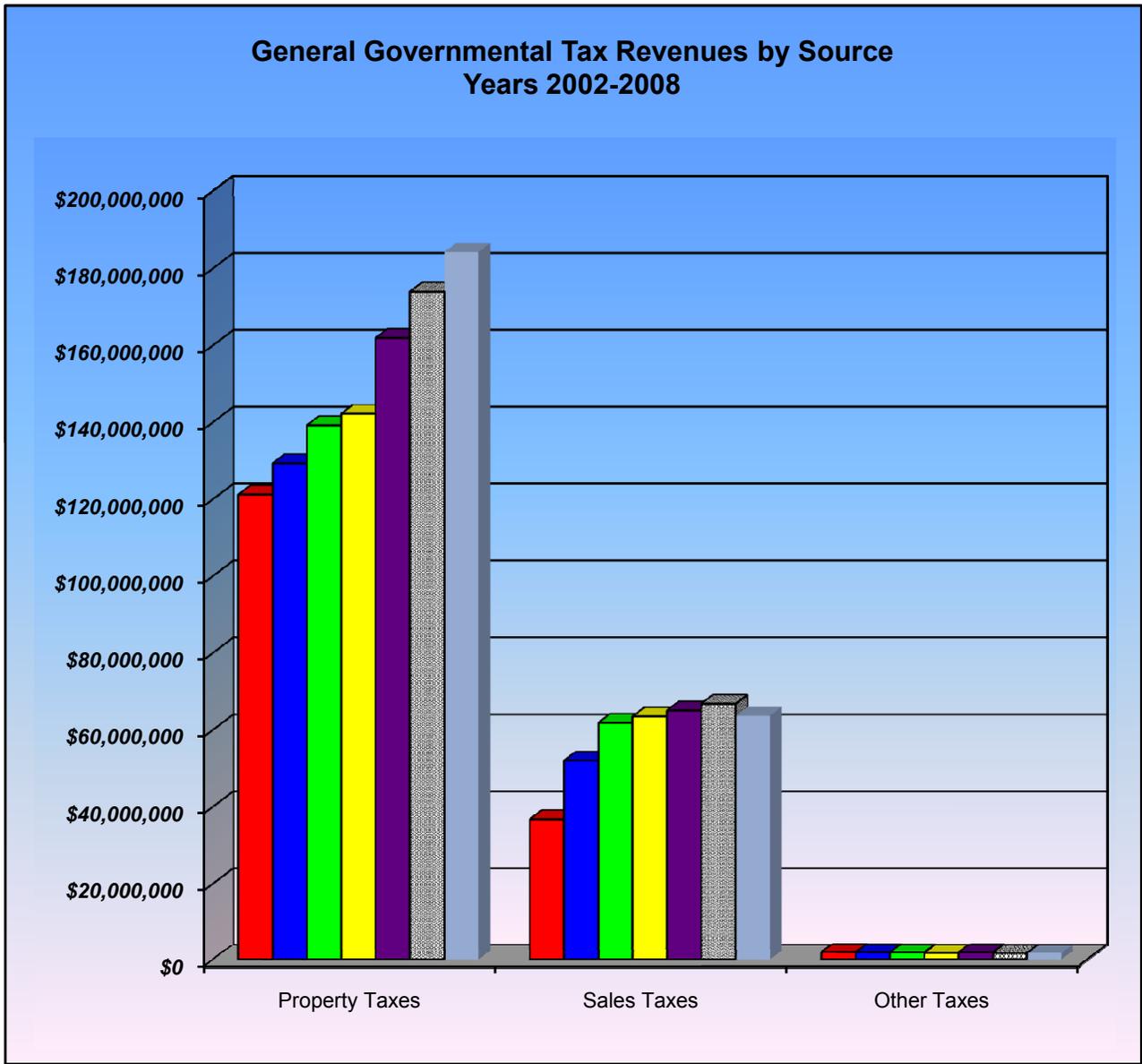
Johnson County, Kansas
General Governmental Expenditures by Function
Last Ten Fiscal Years

Culture and Recreation	Capital Outlay	Debt Service		Total Expenditures (1)	Debt Service as percentage of Non-Capital Expenditures	Fiscal Year
		Principal	Interest			
\$ 22,041,905	\$ 55,275,777	\$ 9,392,084	\$ 1,236,641	\$ 397,518,018	3.11%	2008
21,600,355	57,852,307	3,728,208	1,359,990	381,254,246	1.57%	2007
20,239,177	11,578,168	3,802,962	1,482,843	321,396,538	1.71%	2006
19,109,616	9,454,950	3,823,047	1,567,192	300,938,044	1.85%	2005
18,089,705	7,073,119	4,069,122	1,614,403	285,707,295	2.04%	2004
17,571,798	9,310,608	4,143,660	1,768,666	262,843,573	2.33%	2003
16,974,597	9,723,344	7,031,653	1,985,096	242,162,531	3.88%	2002
16,057,131	11,068,501	6,095,353	2,158,140	225,860,353	3.84%	2001
14,085,369	11,325,703	6,340,353	2,180,809	208,757,392	4.32%	2000
13,404,804	11,209,038	6,087,066	2,067,759	196,938,464	4.39%	1999



Johnson County, Kansas
General Governmental Tax Revenues by Source
Last Seven Fiscal Years (1)

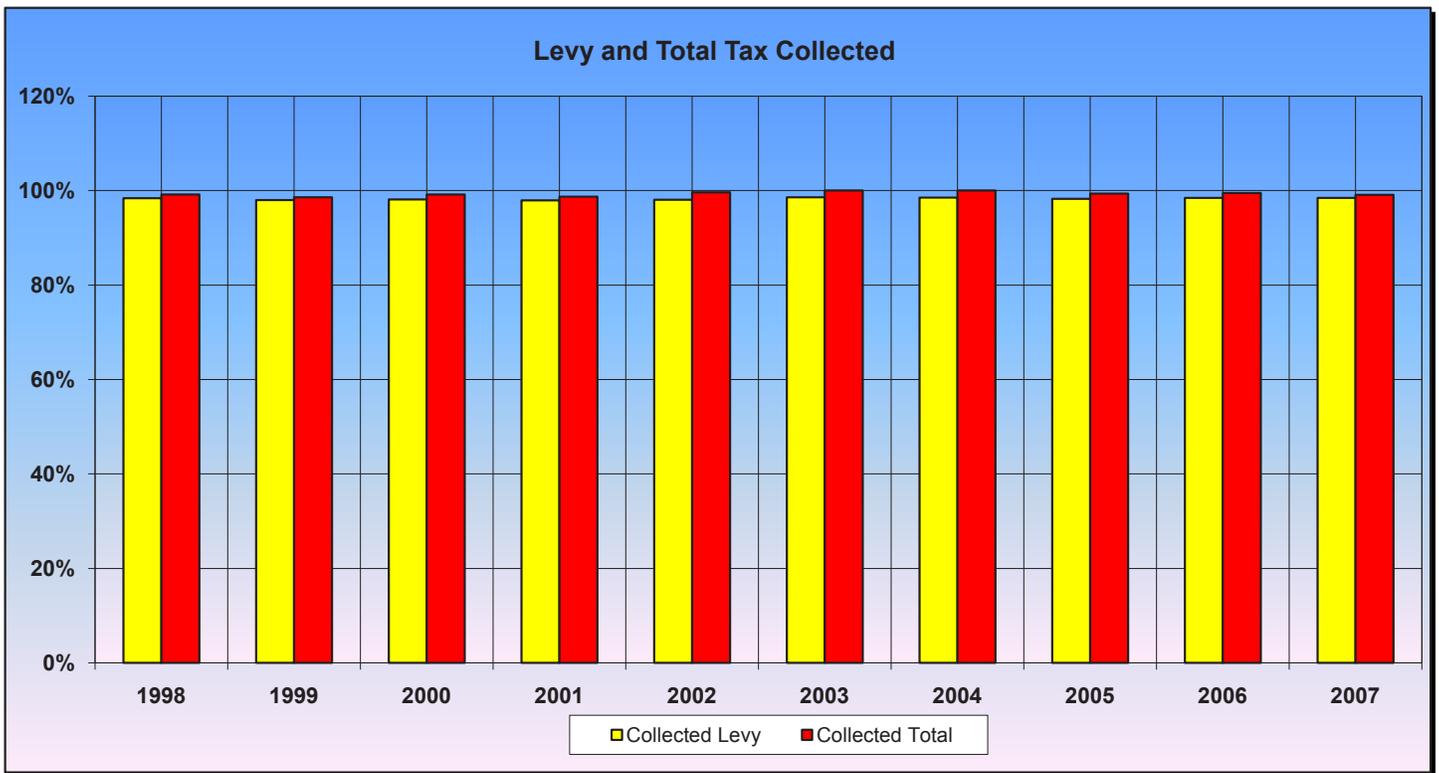
Fiscal Year	Property Taxes	Sales Taxes	Other Taxes	Total
2008	\$ 184,296,632	\$ 63,684,470	\$ 1,639,876	\$ 249,620,978
2007	173,966,160	66,816,061	1,646,312	242,428,533
2006	161,936,175	65,068,745	1,816,842	228,821,762
2005	142,220,163	63,507,087	1,680,152	207,407,402
2004	139,223,150	61,866,361	1,806,422	202,895,933
2003	129,336,256	52,022,478	1,840,375	183,199,109
2002	121,231,029	36,744,322	1,891,033	159,866,384



(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

Johnson County, Kansas
Property Tax Levies and Collections
Last Ten Fiscal Years

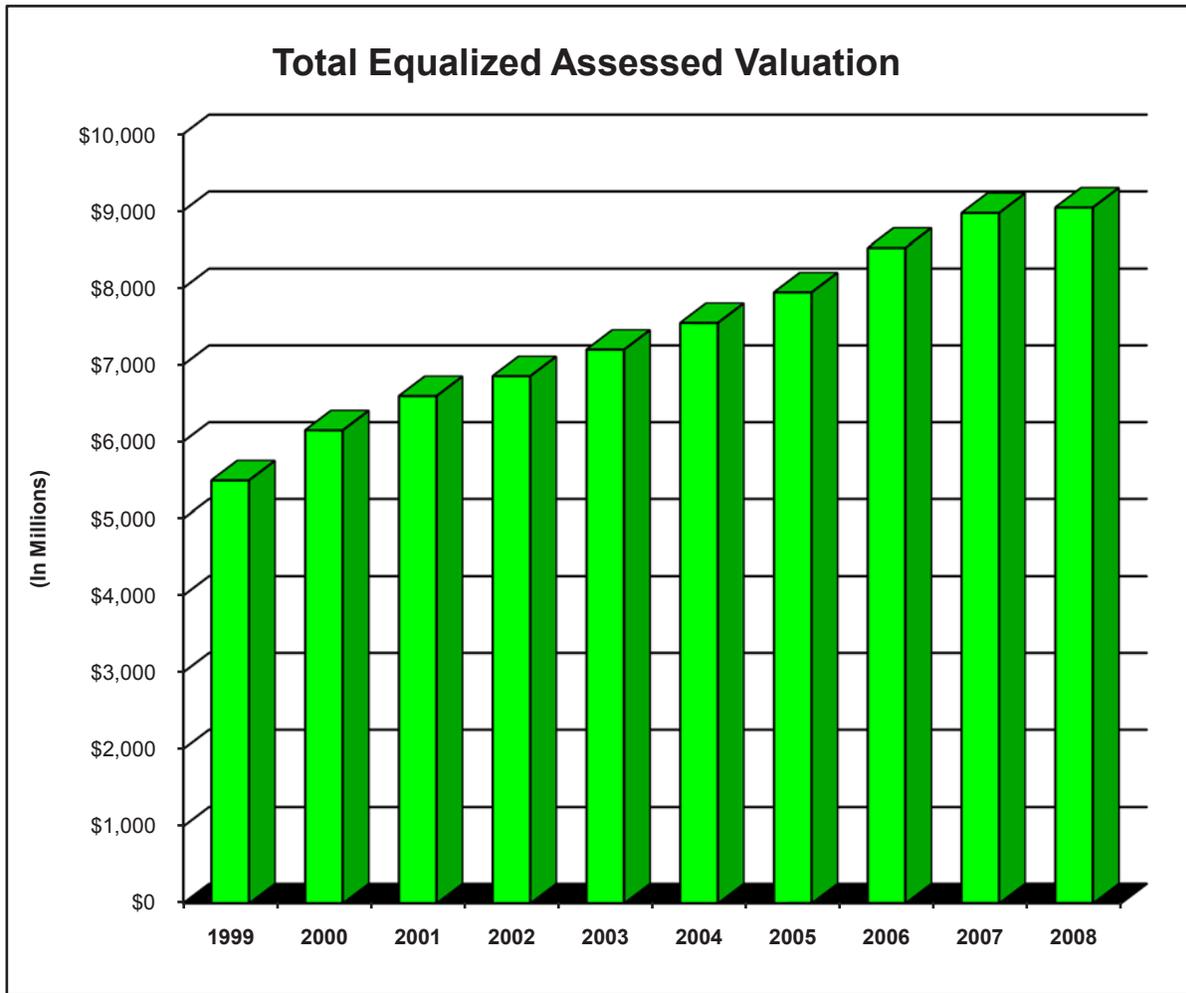
Levy Year (1)	Net Adjusted Tax Roll (2)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collected	Outstanding Delinquent Taxes (4)	Delinquent Taxes to Net Adj. Tax
2007	\$ 184,859,760	\$ 181,984,074	98.44%	\$ 1,265,903	\$ 183,249,977	99.13%	\$ 16,607,197	8.98%
2006	174,552,204	171,840,784	98.45%	1,881,471	173,722,255	99.52%	14,997,414	8.59%
2005	146,527,466	144,019,261	98.29%	1,594,399	145,613,660	99.38%	14,167,465	9.67%
2004	126,320,911	124,440,519	98.51%	1,941,817	126,382,336	100.05%	13,253,659	10.49%
2003	137,947,269	135,980,520	98.57%	2,012,681	137,993,201	100.03%	13,315,084	9.65%
2002	124,644,527	122,254,413	98.08%	1,928,613	124,183,026	99.63%	13,361,016	10.72%
2001	138,352,065	135,483,285	97.93%	1,047,244	136,530,529	98.68%	12,899,515	9.32%
2000	125,008,795	122,634,070	98.10%	1,363,715	123,997,785	99.19%	11,077,979	8.86%
1999	115,809,497	113,469,114	97.98%	682,794	114,151,908	98.57%	10,066,969	8.69%
1998	96,171,411	94,611,905	98.38%	765,897	95,377,802	99.17%	8,409,380	8.74%



- (1) Taxes levied in 2007 are due December 20, 2007 but may be paid 50% by December 20, 2007 and 50% by May 10, 2008.
- (2) Net Adjusted Tax Roll is the County Clerk's Abstract of Taxes plus new taxes less abated taxes.
- (3) Delinquent tax collections may include collections of prior year delinquencies and current year delinquencies.
Source County Treasurer.
- (4) K.S.A. 79-2401 et. seq. provides for the sale of property on which delinquent taxes are owed after three years of certified delinquency (approximately four years).

Johnson County, Kansas
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years

Fiscal Year	Real Property Assessed Value(1)	Personal Property Assessed Value(1)	Utilities Assessed Value(1)	Total Assessed Value
2008	\$ 7,613,700,757	\$ 385,599,146	\$ 232,006,803	\$ 8,231,306,706
2007	7,441,729,299	496,710,813	230,509,813	8,168,949,925
2006	6,952,936,327	546,237,913	233,922,217	7,733,096,457
2005	6,426,527,762	522,165,861	229,797,418	7,178,491,041
2004	6,022,937,223	504,092,012	276,184,790	6,803,214,025
2003	5,691,787,337	526,605,820	262,899,814	6,481,292,971
2002	5,378,055,149	543,329,346	248,460,112	6,169,844,607
2001	5,113,300,845	570,831,033	266,934,541	5,951,066,419
2000	4,651,597,610	571,747,331	259,366,373	5,482,711,314
1999	4,137,964,939	482,949,346	228,535,116	4,849,449,401

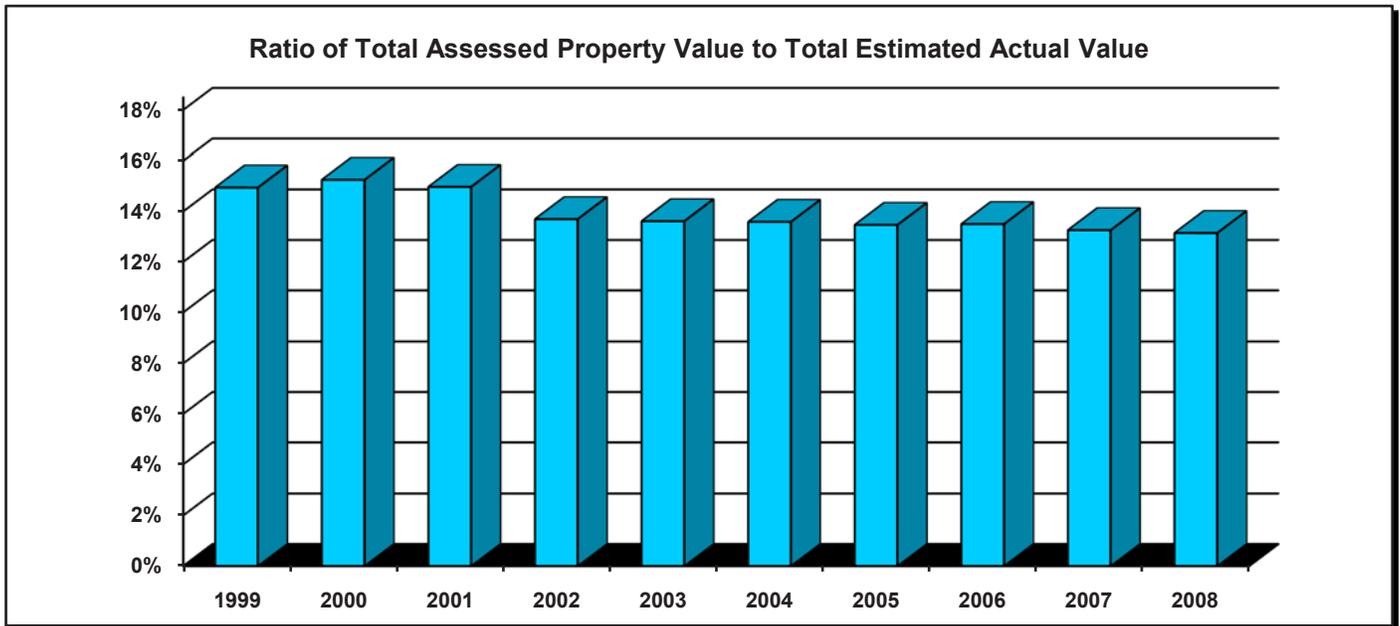


(1) Source: 2008 Annual Abstract of Taxes, County Clerk

Johnson County, Kansas
Assessed and Estimated Actual Value of Property
Last Ten Fiscal Years

Motor Vehicle Assessed Value(1)	Recreational Vehicle Assessed Value(1)	Total Equalized Assessed Valuation	Total Direct Tax Rate	Year
\$ 807,538,885	\$ 3,602,032	\$ 9,042,447,623	23.242	2008
798,621,975	3,700,267	8,971,272,167	23.199	2007
783,704,614	3,706,787	8,520,507,858	23.163	2006
761,555,444	3,553,249	7,943,599,734	21.364	2005
739,386,265	3,446,192	7,546,046,482	21.700	2004
713,163,335	3,320,568	7,197,776,874	20.771	2003
679,726,647	3,117,489	6,852,688,743	24.867	2002
639,284,427	2,884,953	6,593,235,799	24.626	2001
662,001,465	2,372,853	6,147,085,632	25.866	2000
643,393,099	1,993,308	5,494,835,808	24.660	1999

Real Property Estimated Actual Value(2)	Personal Property Estimated Actual Value(2)	Utilities Estimated Actual Value(3)	Total Estimated Actual Value	Ratio of Total Assessed Value to Total Estimated Actual Value	Year
\$ 60,348,778,630	\$ 1,516,689,974	\$ 758,755,318	\$ 62,624,223,922	13.14%	2008
58,907,586,441	1,953,729,198	750,572,302	61,611,887,941	13.26%	2007
54,383,895,167	2,148,535,791	754,421,000	57,286,851,958	13.50%	2006
50,508,957,215	2,053,852,387	738,209,372	53,301,018,974	13.47%	2005
47,213,817,217	1,982,761,914	880,020,926	50,076,600,057	13.59%	2004
44,698,225,355	2,071,316,225	838,087,263	47,607,628,843	13.61%	2003
42,119,989,528	2,137,095,428	792,810,310	45,049,895,266	13.70%	2002
36,656,841,132	2,245,268,730	844,755,672	39,746,865,534	14.97%	2001
32,884,406,615	2,248,872,844	816,012,961	35,949,292,420	15.25%	2000
29,827,629,396	1,899,600,763	722,433,542	32,449,663,701	14.94%	1999



(1) Source: 2008 Annual Abstract of Taxes, County Clerk
(2) Source: County Appraiser
(3) Source: County Records and Tax Administration Office

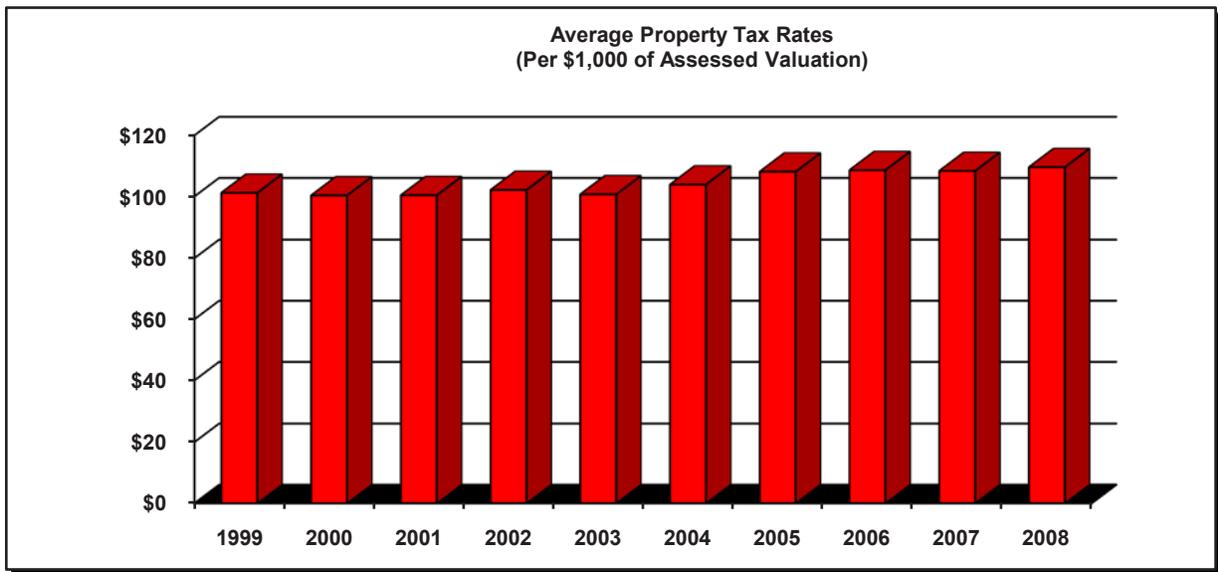
Johnson County, Kansas
Direct and Overlapping Property Tax Rates and Levies
Last Ten Fiscal Years

TAX RATES* Per \$1,000 of Assessed Valuation

Year	State	County	County Library	County Unified Wastewater
2008	1.500	17.767	3.057	-
2007	1.500	17.985	2.962	-
2006	1.500	17.949	2.960	-
2005	1.500	17.922	2.955	-
2004	1.500	16.041	2.956	-
2003	1.500	16.381	2.954	-
2002	1.500	16.221	2.948	-
2001	1.500	16.333	2.971	4.181
2000	1.500	15.676	2.981	4.647
1999	1.500	16.112	3.137	5.166

TAX LEVIES*

Year	State	County	County Library	County Unified Wastewater
2008	\$ 12,346,960	\$ 146,245,832	\$ 20,959,107	\$ -
2007	12,253,425	146,918,769	20,188,656	-
2006	11,599,645	138,801,516	19,223,756	-
2005	10,767,737	128,653,133	17,874,333	-
2004	10,204,821	109,130,544	17,024,889	-
2003	9,721,939	106,170,083	16,253,256	-
2002	9,254,767	100,081,191	15,515,910	-
2001	8,926,600	97,198,941	15,100,256	18,778,160
2000	8,224,067	85,947,162	14,070,677	18,864,687
1999	7,274,174	78,134,627	13,083,792	18,408,076



* Excludes special assessments.

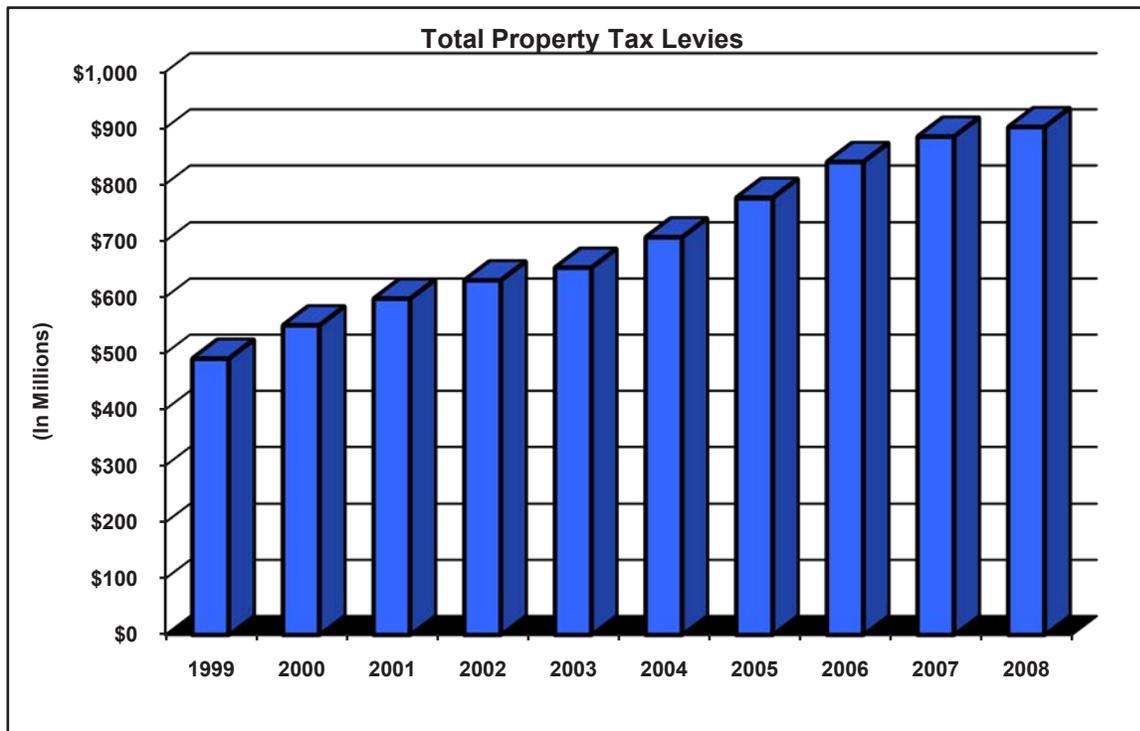
(1) Special Districts include Cemeteries, Drainage and Fire.

(2) Grand Total (Weighted Average) is calculated by dividing grand total levy dollars by total assessed value for real, personal and utility property and multiplying the result by 1000 to convert to whole dollars.

Johnson County, Kansas
Direct and Overlapping Property Tax Rates and Levies
Last Ten Fiscal Years

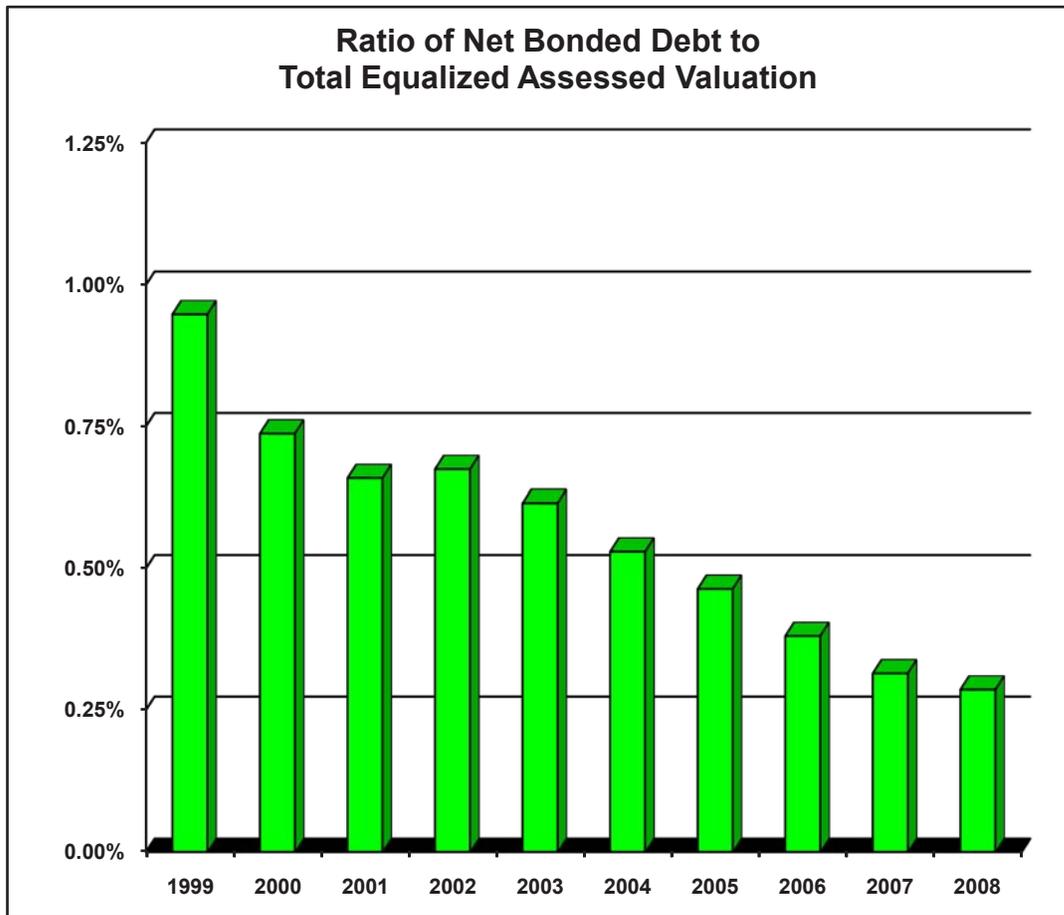
Cities Weighted Average	Townships Weighted Average	Schools Weighted Average	Special Districts Weighted Average (1)	Grand Total Weighted Average (2)	Year
18.580	0.152	67.899	2.748	109.579	2008
18.435	0.093	66.605	2.868	108.328	2007
18.329	0.103	66.960	2.983	108.600	2006
17.880	0.107	67.407	4.006	108.111	2005
17.765	0.105	65.191	4.171	103.890	2004
17.605	0.096	61.794	4.266	100.683	2003
16.352	0.127	64.683	4.120	102.118	2002
16.022	0.122	60.045	4.086	100.389	2001
15.641	0.131	60.775	4.033	100.328	2000
16.261	0.136	60.123	4.184	101.192	1999

Cities Total	Townships Total	Schools Total	Special Districts Total (1)	Grand Total	Year
\$ 147,788,587	\$ 57,648	\$ 558,896,054	\$ 15,688,068	\$ 901,982,256	2008
145,315,726	36,302	544,089,809	16,125,343	884,928,030	2007
136,757,256	38,114	517,806,857	15,584,677	839,811,821	2006
123,832,405	36,766	483,878,913	11,029,781	776,073,068	2005
116,199,467	35,727	443,511,220	10,678,098	706,784,766	2004
109,752,979	34,974	400,506,830	10,116,055	652,556,116	2003
96,942,713	48,385	399,082,218	9,129,406	630,054,590	2002
91,663,877	47,677	357,330,140	8,375,661	597,421,312	2001
82,354,381	46,468	333,210,751	7,350,023	550,068,216	2000
75,551,786	43,329	291,563,556	6,668,141	490,727,481	1999



Johnson County, Kansas
**Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years**

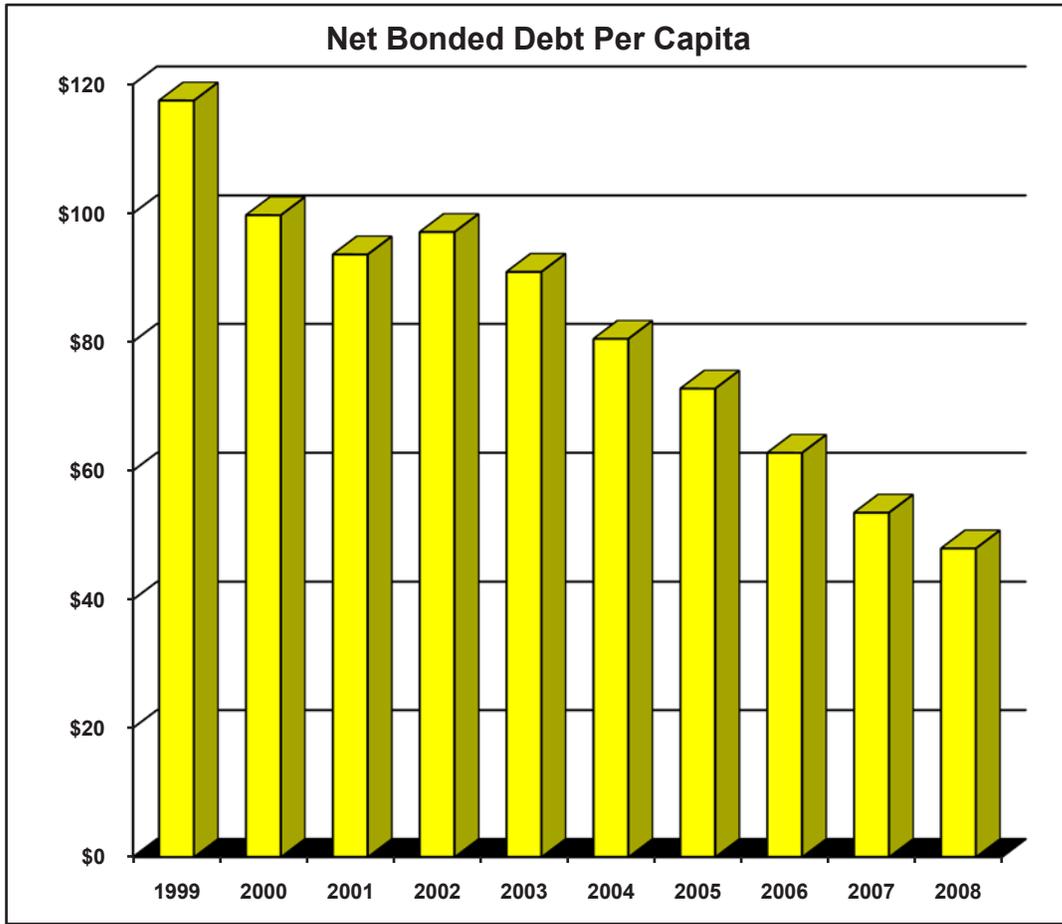
Year	Population (1)	Equalized Assessed Valuation	Bonded Debt	Debt Service Monies Available
2008	539,811	\$ 9,042,447,623	\$ 26,415,112	\$ 569,038
2007	528,023	8,971,272,167	33,048,724	4,822,736
2006	516,493	8,520,507,858	37,438,903	5,013,455
2005	506,172	7,943,599,734	41,902,222	5,059,579
2004	496,892	7,546,046,482	45,143,595	5,170,446
2003	486,943	7,197,776,874	45,537,579	1,280,180
2002	476,009	6,852,688,743	49,586,888	3,369,799
2001	463,974	6,593,235,799	47,528,158	4,102,317
2000	454,514	6,147,085,632	49,344,572	4,022,768
1999	443,434	5,494,835,808	56,345,989	4,252,911



(1) See Demographic Statistics, later in this section.

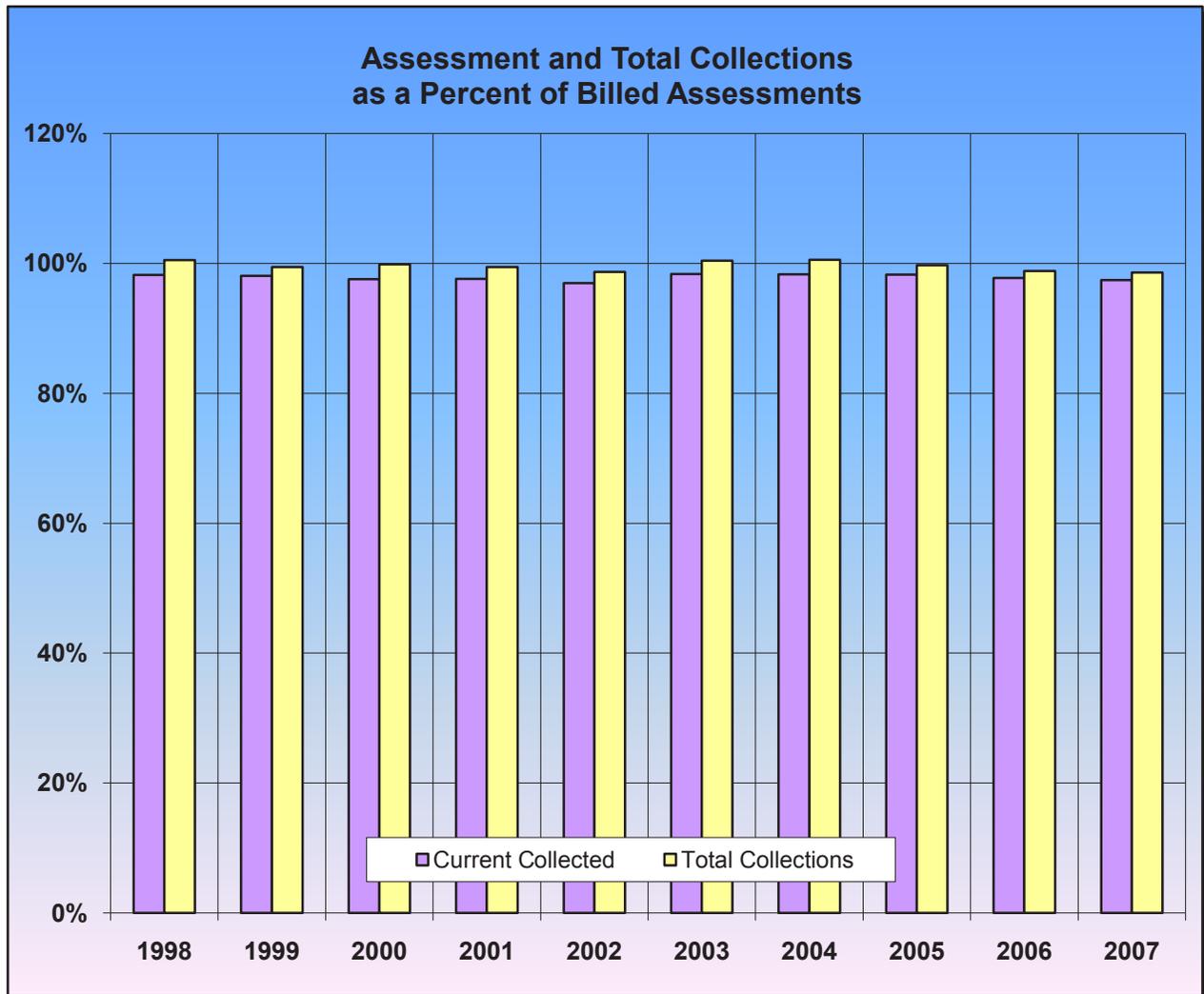
Johnson County, Kansas
**Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years**

Net Bonded Debt	Ratio of Net Bonded Debt to Equalized Valuation	Ratio of Net Bonded Debt Per Capita to Per Capita Income	Per Capita Income (1)	Net Bonded Debt Per Capita	Year
\$ 25,846,074	0.29%	0.09%	\$ 54,679	\$ 47.88	2008
28,225,988	0.31%	0.10%	52,735	53.46	2007
32,425,448	0.38%	0.12%	50,781	62.78	2006
36,842,643	0.46%	0.15%	48,123	72.79	2005
39,973,149	0.53%	0.17%	46,443	80.45	2004
44,257,399	0.61%	0.21%	44,124	90.89	2003
46,217,089	0.67%	0.22%	44,111	97.09	2002
43,425,841	0.66%	0.21%	43,721	93.60	2001
45,321,804	0.74%	0.23%	43,618	99.71	2000
52,093,078	0.95%	0.29%	40,897	117.48	1999



**Johnson County, Kansas
Special Assessment Billings and Collections
Last Ten Fiscal Years**

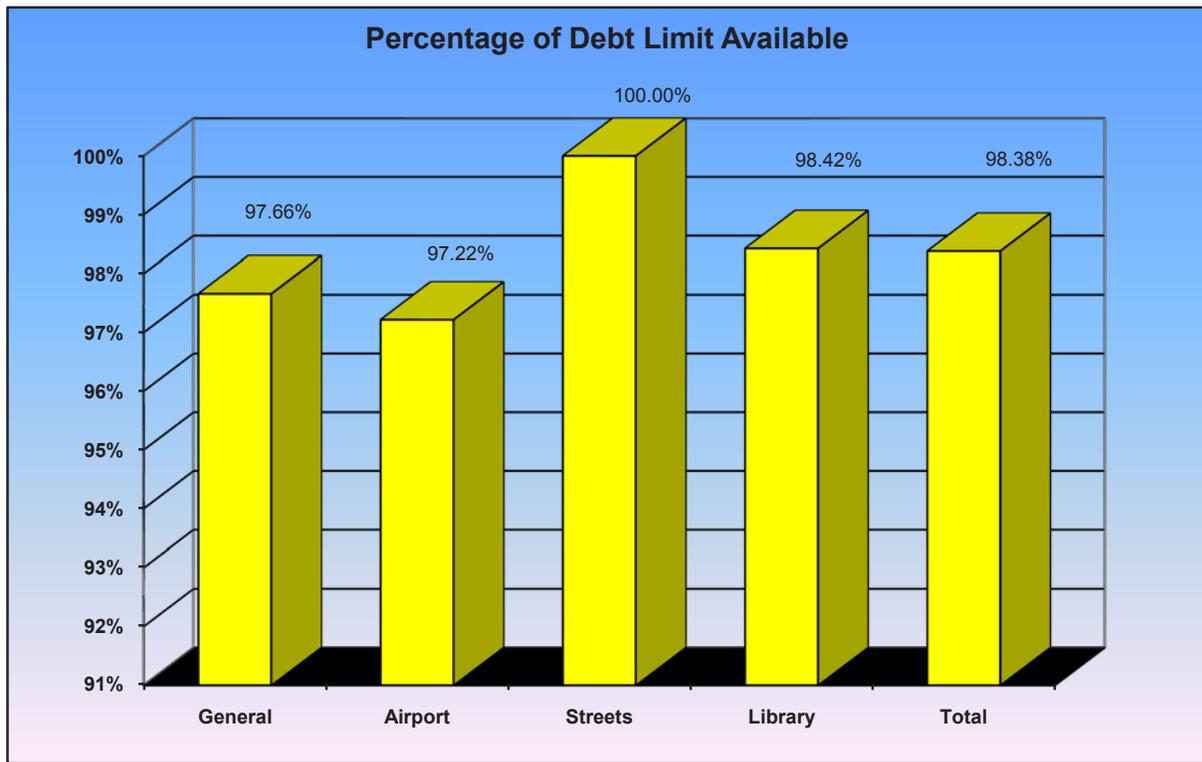
Levy Year (1)	Special Assessment Billings (2)	Special Assessment Collections (2)	Percent of Billings Collected	Delinquent Assessments Collected (3)	Total Assessments Collected	Percent of Total Collections to Billings
2007	\$ 25,468,071	\$ 24,812,479	97.43%	\$ 299,486	\$ 25,111,965	98.60%
2006	24,331,631	23,787,628	97.76%	257,645	24,045,273	98.82%
2005	22,189,091	21,802,022	98.26%	327,123	22,129,145	99.73%
2004	20,960,580	20,609,184	98.32%	466,345	21,075,529	100.55%
2003	19,340,468	19,026,811	98.38%	397,305	19,424,116	100.43%
2002	18,235,003	17,683,463	96.98%	315,815	17,999,278	98.71%
2001	16,986,401	16,583,053	97.63%	305,914	16,888,967	99.43%
2000	15,884,347	15,498,442	97.57%	362,813	15,861,255	99.85%
1999	14,992,653	14,706,388	98.09%	200,836	14,907,224	99.43%
1998	14,222,778	13,971,667	98.23%	322,079	14,293,746	100.50%



- (1) Taxes levied in 2007 are due December 20, 2007 but may be paid 50% by December 20, 2007 and 50% by May 10, 2008.
- (2) Billings and collections include Johnson County and all municipalities within Johnson County.
- (3) Delinquent tax collections may include collections of prior year delinquencies and current year delinquencies.

Johnson County, Kansas
Legal General Obligation Debt Margin Computation
12/31/08

	General	Airport	Streets	Library (3)	Total
Assessed Valuation for Debt Limitation Purposes	\$ 9,042,447,623	\$9,042,447,623	\$9,042,447,623	\$ 7,506,035,801	\$ 34,633,378,670
Percentage Limitation (1)	3.0%	1.0%	2.0%	2.0%	
Dollar Debt Limit	271,273,429	90,424,476	180,848,952	150,120,716	692,667,573
Outstanding Debt (2)	6,917,762	2,515,475	-	2,365,000	11,798,237
Debt Service Fund Balance	569,038	-	-	-	569,038
Net Outstanding Debt	6,348,724	2,515,475	-	2,365,000	11,229,199
Available Legal Debt Margin	<u>\$ 264,924,705</u>	<u>\$ 87,909,001</u>	<u>\$ 180,848,952</u>	<u>\$ 147,755,716</u>	<u>\$ 681,438,374</u>



(1) Source: 2008 Annual Abstract of Taxes, Johnson County Clerk, Kansas Statutes. General K.S.A. 10-306, Airport K.S.A. 3-307, Streets K.S.A. 68-584, Library K.S.A. 12-1257, Park and Recreation K.S.A. 19-2874.

(2) Includes all general obligation bonds and notes except voting machine bonds, which are not subject to debt limitation. Also excludes Wastewater General Obligation debt (which is supported by user charges). Does not include debt obligation exempt from statutory limitations. General K.S.A. 25-134, 10-307, 10-427A, 10-311, Airport K.S.A. 3-304, Street K.S.A. 68-728.

(3) Library total equalized tangible valuation excludes real and personal property located within the city limits of the City of Olathe, Kansas, and the City of Bonner Springs, Kansas.

Johnson County, Kansas
Direct and Overlapping Debt Computation
12/31/08

Entity	Total Debt (1)	Net Debt	Percent Applicable to Johnson County	Net Debt Applicable to Johnson County (2)	Total Assessed Valuation
Johnson County	\$ 26,965,191	\$ 26,396,153	100.00%	\$ 26,396,153	\$ 8,231,306,706
Cities					
Bonner Springs	20,565,000	20,279,863	3.94%	799,027	3,996,481
DeSoto	16,600,000	15,317,007	100.00%	15,317,007	58,250,656
Edgerton	2,538,434	2,458,691	100.00%	2,458,691	9,596,044
Fairway	9,762,720	9,642,041	100.00%	9,642,041	76,471,866
Gardner	51,645,700	51,348,718	100.00%	51,348,718	135,771,883
Lake Quivira	-	-	94.89%	-	23,756,892
Leawood	79,495,000	71,581,552	100.00%	71,581,552	774,815,359
Lenexa	114,990,000	108,327,137	100.00%	108,327,137	997,406,305
Merriam	20,990,000	20,916,897	100.00%	20,916,897	165,794,770
Mission	38,075,000	37,262,645	100.00%	37,262,645	137,436,729
Mission Hills	5,696,058	5,691,098	100.00%	5,691,098	149,951,202
Mission Woods	-	-	100.00%	-	7,316,698
Olathe	257,290,000	228,900,430	100.00%	228,900,430	1,371,206,924
Overland Park	180,285,000	180,185,000	100.00%	180,185,000	2,872,676,019
Prairie Village	1,205,000	1,169,142	100.00%	1,169,142	292,384,855
Roeland Park	10,315,000	10,169,558	100.00%	10,169,558	70,177,168
Shawnee	98,516,762	98,046,751	100.00%	98,046,751	738,942,161
Spring Hill	33,213,668	33,105,684	100.00%	33,105,684	37,342,945
Westwood	-	-	100.00%	-	23,587,675
Westwood Hills	-	-	100.00%	-	7,214,758
Total	<u>941,183,342</u>	<u>894,402,214</u>		<u>874,921,378</u>	<u>7,954,097,390</u>
School Districts					
Blue Valley U.S.D. 229	287,875,000	279,310,964	99.97%	279,227,171	2,393,060,121
Spring Hill U.S.D. 230	54,300,000	51,913,649	77.57%	40,269,418	91,711,369
Gardner U.S.D. 231	108,415,000	104,083,446	97.45%	101,429,318	250,081,190
DeSoto U.S.D. 232	148,305,000	141,820,858	100.00%	141,820,858	396,997,251
Olathe U.S.D. 233	271,800,811	266,833,991	100.00%	266,833,991	1,880,447,524
Wellsville U.S.D. 289	7,670,000	7,138,003	0.10%	7,138	20,462
Eudora U.S.D. 491	33,314,691	31,754,927	2.75%	873,260	958,400
Shawnee Mission U.S.D. 512	249,795,000	247,792,468	100.00%	247,792,468	3,218,030,389
Total	<u>1,161,475,502</u>	<u>1,130,648,306</u>		<u>1,078,253,622</u>	<u>8,231,306,706</u>
Other Entities					
Community College	-	-	100.00%	-	8,231,306,706
Park and Recreation	4,030,000	3,891,403	100.00%	3,891,403	8,231,306,706
Fire District #2	5,070,000	5,070,000	100.00%	5,070,000	162,196,625
Total	<u>9,100,000</u>	<u>8,961,403</u>		<u>8,961,403</u>	<u>16,624,810,037</u>
Total of Overlapping Debt				1,962,136,402	
				<u>1,962,136,402</u>	
Grand Total				<u>\$ 1,988,532,555</u>	

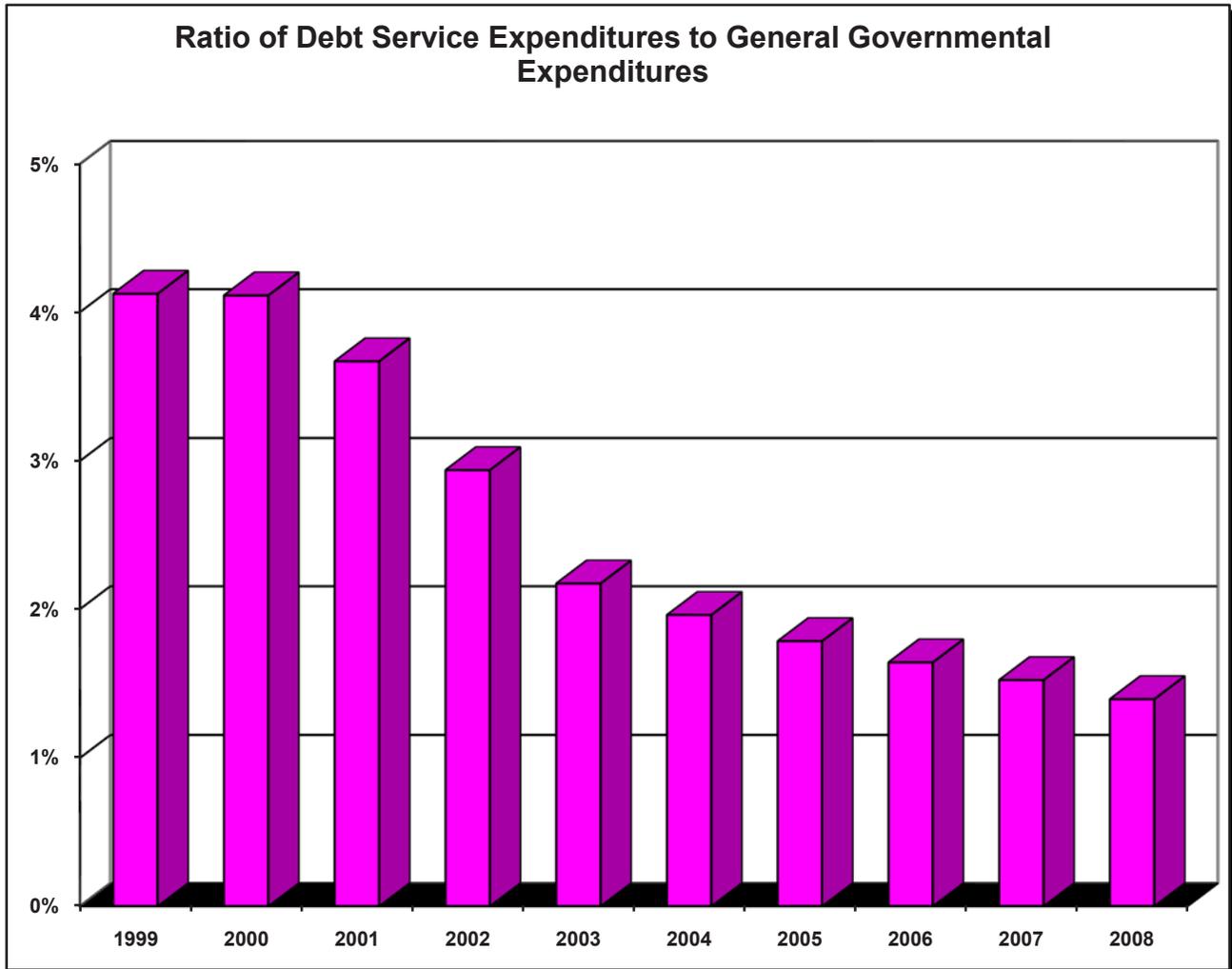
(1) Includes General Obligation Bonds, Special Assessment Bonds with governmental commitment and General Obligation Notes.

Excludes Wastewater General Obligation debt (which is supported by user charges).

(2) Based upon assessed valuation within Johnson County as a percent of total assessed valuation.

Johnson County, Kansas
**Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt
to Total General Governmental Expenditures
Last Ten Fiscal Years**

Year	Principal	Interest and Fiscal Charges	Total Debt Service (1)	Total General Governmental Expenditures (2)	Debt Service to General Governmental Expenditures
2008	\$ 3,734,210	\$ 1,217,962	\$ 4,952,172	\$ 355,703,017	1.39%
2007	3,718,541	1,356,328	5,074,869	333,659,207	1.52%
2006	3,791,295	1,479,483	5,270,778	321,396,538	1.64%
2005	3,811,381	1,555,791	5,367,172	300,938,044	1.78%
2004	4,057,455	1,542,768	5,600,223	285,707,295	1.96%
2003	4,131,993	1,578,084	5,710,077	262,843,573	2.17%
2002	5,157,905	1,956,000	7,113,905	242,162,531	2.94%
2001	6,087,404	2,205,491	8,292,895	225,860,353	3.67%
2000	6,330,406	2,255,271	8,585,677	208,757,392	4.11%
1999	6,079,692	2,041,660	8,121,352	196,938,464	4.12%



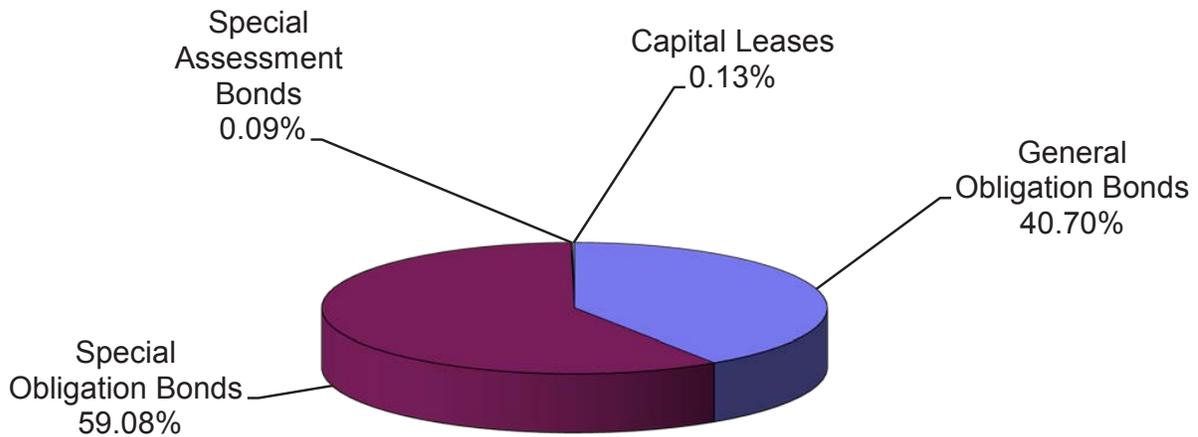
(1) Total Debt Service excludes Special Assessment debt with governmental commitment.

(2) Expenditures include general, special revenue and debt service funds.

Johnson County, Kansas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	Governmental Activities				Business-Type Activities	
	General Obligation Bonds	Special Obligation Bonds	Special Assessment Bonds	Capital Leases	General Obligation Bonds	Special Assessment Bonds
2008	\$ 8,546,260	\$ 12,405,000	\$ 18,473	\$ 27,813	\$ 208,599,184	\$ 602,867
2007	10,773,156	18,160,000	26,346	49,377	181,206,249	689,993
2006	12,967,014	19,685,000	36,013	25,062	125,682,165	767,269
2005	15,173,626	21,270,000	47,680	29,405	135,808,286	833,696
2004	16,043,767	22,960,000	59,347	34,046	98,655,989	899,419
2003	18,416,222	20,200,000	71,014	64,144	92,206,570	1,036,398
2002	19,793,215	21,970,000	82,681	133,137	96,600,119	1,114,771
2001	13,488,812	24,995,000	96,429	310,221	103,279,346	1,155,413
2000	17,681,215	23,200,000	41,379	615,777	87,677,158	1,229,050
1999	22,521,621	24,690,000	51,326	586,090	93,123,169	1,332,686

2008 Governmental Activities Outstanding Debt

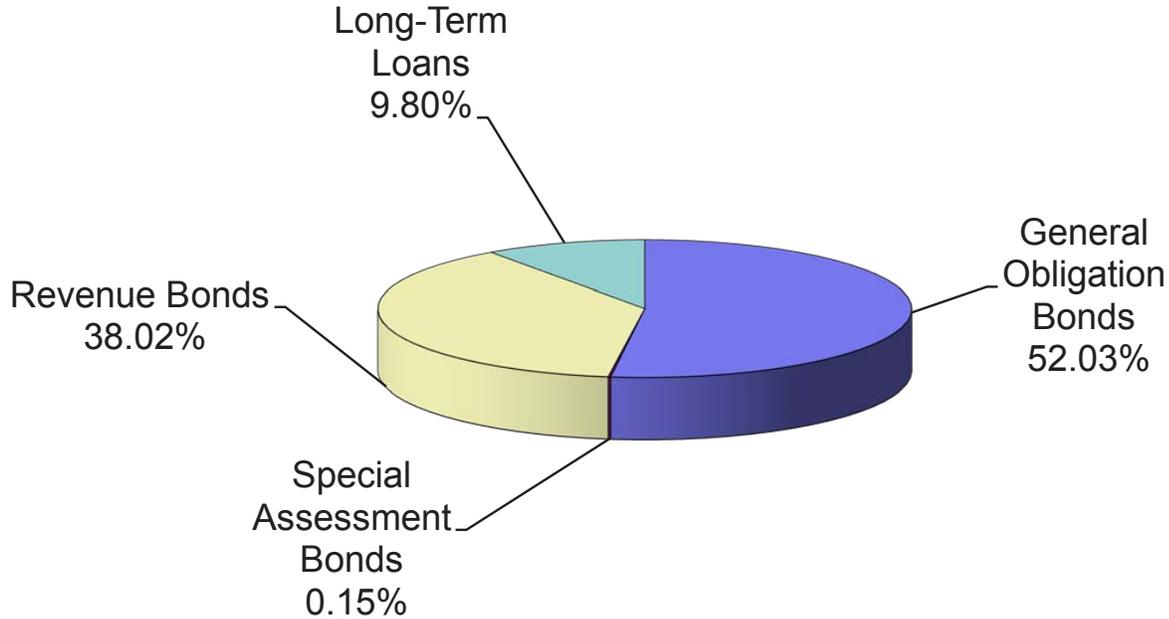


Johnson County, Kansas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Business-Type Activities

Revenue Bonds	Loan Payable	Capital Leases	Long-Term Loans		Total Primary Government	Percentage of Personal Income	Per Capita	Year
			Wastewater	Airport				
\$ 152,403,748	\$ -	\$ -	\$ 39,127,268	\$ 152,411	\$ 421,883,024	3.27%	\$ 781.54	2008
94,231,311	-	-	43,809,355	195,243	349,141,030	2.92%	661.22	2007
88,914,364	-	-	48,370,355	237,471	296,684,713	2.62%	574.42	2006
94,772,650	-	-	50,957,981	278,448	319,171,772	2.91%	630.56	2005
71,556,498	-	-	48,634,884	324,670	259,168,620	2.40%	518.88	2004
52,935,400	-	-	47,573,277	330,518	232,833,543	2.21%	476.90	2003
35,990,715	1,185,000	-	50,515,245	180,059	227,564,942	2.16%	482.95	2002
40,305,000	-	13,756	54,010,207	189,135	237,843,319	2.66%	515.89	2001
46,280,000	-	33,117	57,321,109	-	234,078,805	2.89%	518.92	2000
52,285,000	-	45,871	59,687,014	-	254,322,777	3.52%	577.36	1999

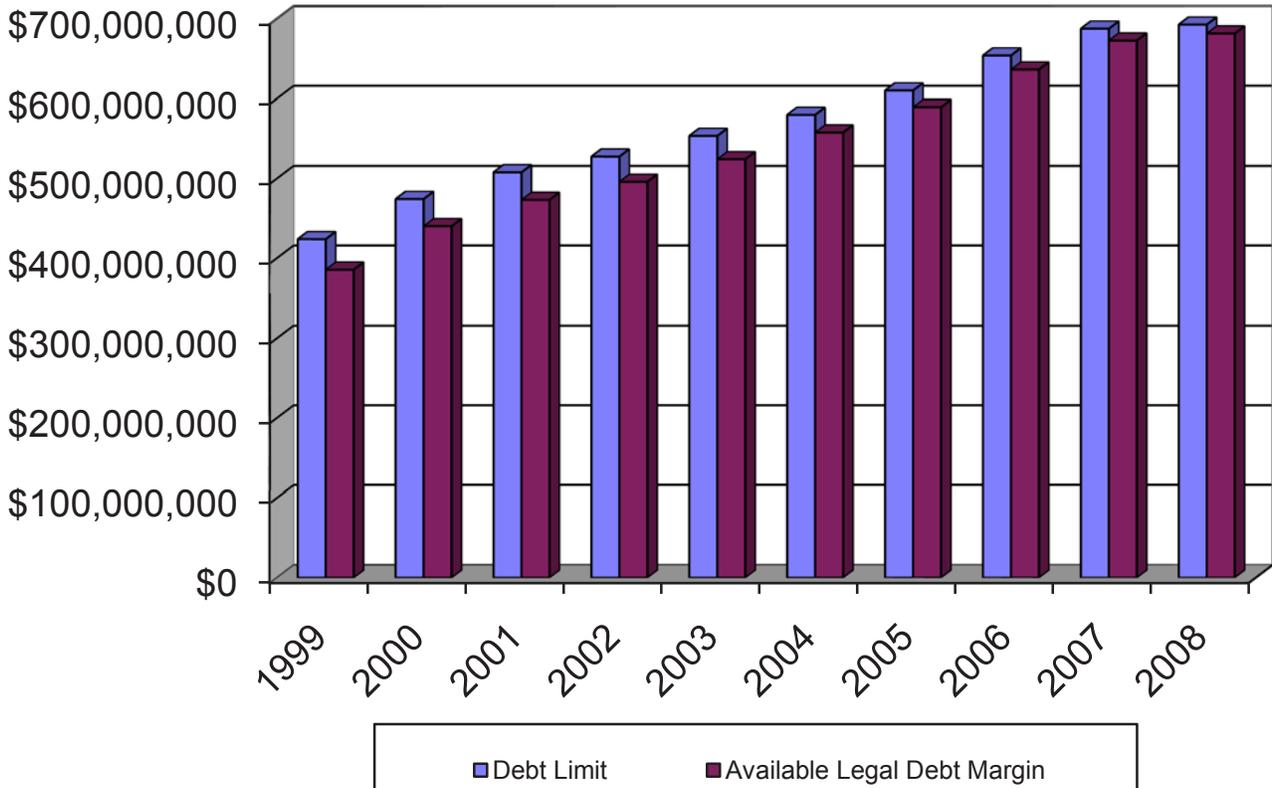
2008 Business-Type Activities Outstanding Debt



Johnson County, Kansas
Legal Debt Margin Information
Last Ten Fiscal Years

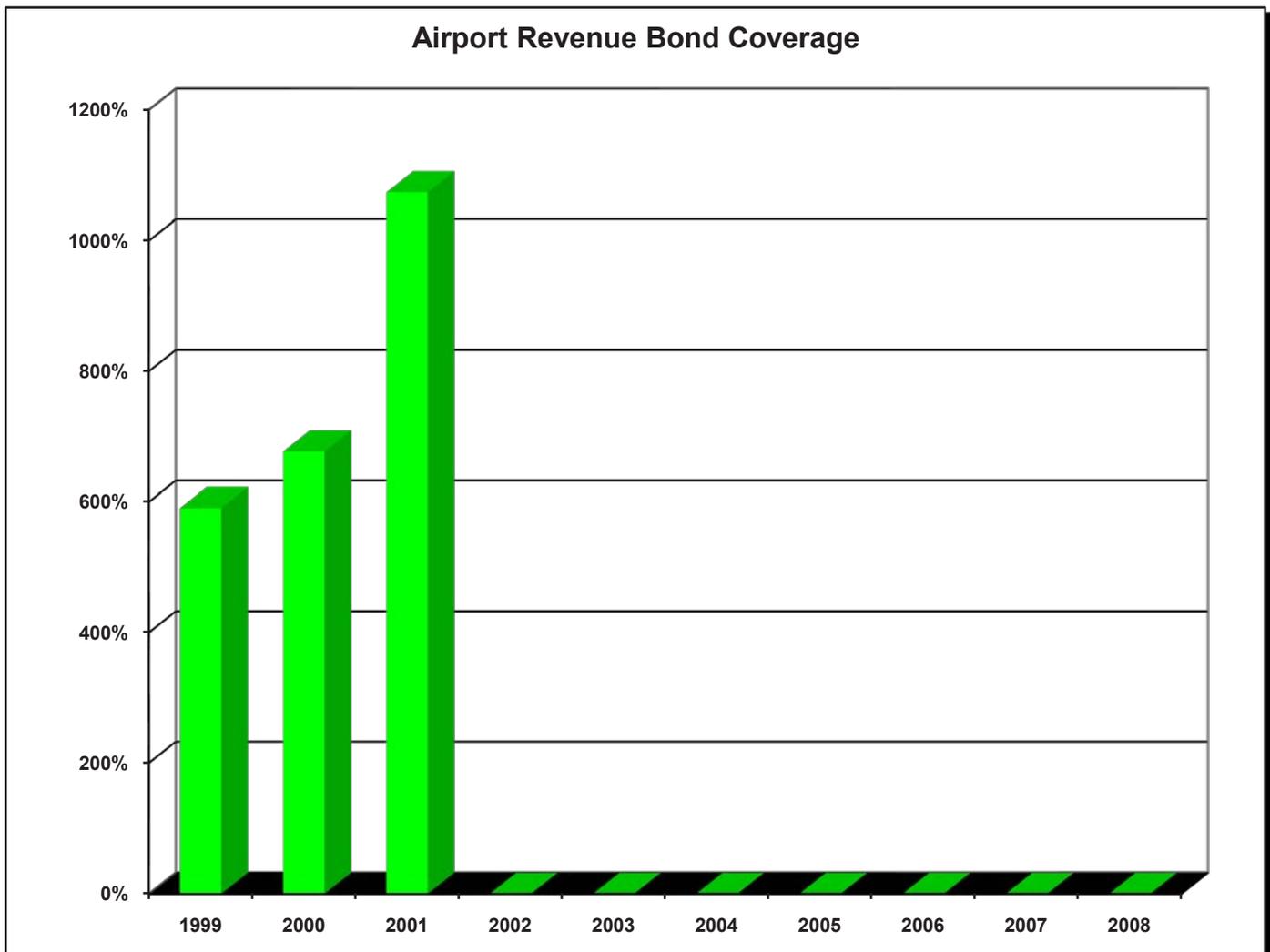
Year	Debt Limit	Outstanding Debt	Debt Service Fund Balance	Net Outstanding Debt	Available Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2008	\$ 692,667,573	\$ 11,798,237	\$ 569,038	\$ 11,229,199	\$ 681,438,374	1.62%
2007	687,485,111	19,690,518	4,822,736	14,867,782	672,617,329	2.16%
2006	653,816,162	22,606,006	5,013,455	17,592,551	636,223,611	2.69%
2005	609,941,025	25,589,494	5,059,579	20,529,915	589,411,110	3.37%
2004	579,953,669	27,342,982	5,170,446	22,172,536	557,781,133	3.82%
2003	553,538,426	30,573,970	1,280,180	29,293,790	524,244,636	5.29%
2002	527,564,794	35,097,958	3,369,799	31,728,159	495,836,635	6.01%
2001	507,796,093	38,697,751	4,102,317	34,595,434	473,200,659	6.81%
2000	474,222,720	38,116,931	4,022,768	34,094,163	440,128,557	7.19%
1999	423,825,606	42,576,112	4,252,911	38,323,201	385,502,405	9.04%

Debt Limit vs. Available Debt Margin



Johnson County, Kansas
Airport Revenue Bond Coverage
Last Ten Fiscal Years

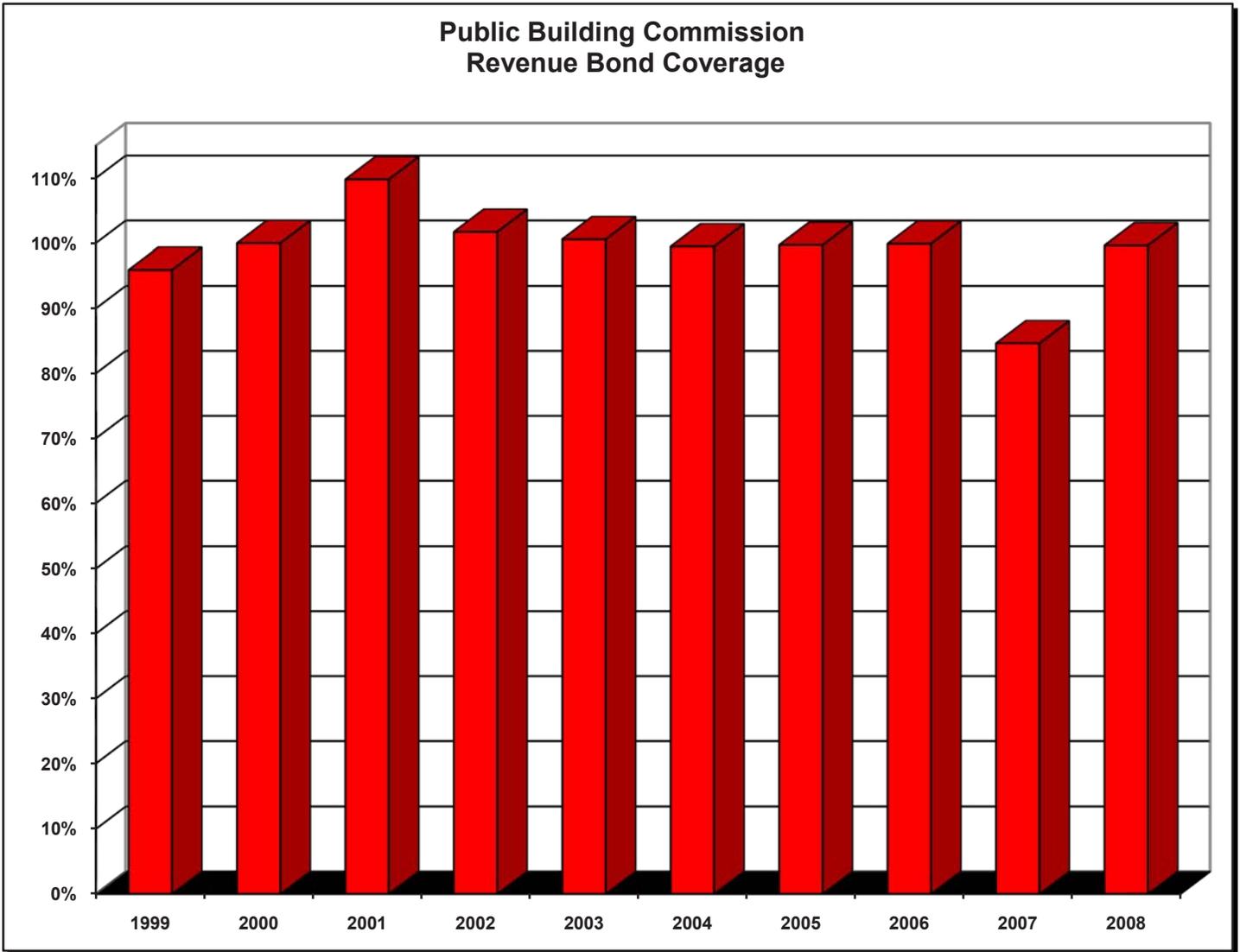
Year	Gross (1) Revenue	Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
2008	\$ 5,028,692	\$ 3,396,392	\$ 1,632,300	\$ -	\$ -	\$ -	-
2007	4,557,409	3,188,825	1,368,584	-	-	-	-
2006	4,298,079	3,080,079	1,218,000	-	-	-	-
2005	4,576,078	2,955,499	1,620,579	-	-	-	-
2004	4,143,541	2,870,753	1,272,788	-	-	-	-
2003	6,301,970	2,113,989	4,187,981	-	-	-	-
2002	3,994,798	1,987,798	2,007,000	-	-	-	-
2001	3,058,215	1,692,819	1,365,396	120,000	7,200	127,200	1073%
2000	3,372,961	1,350,936	2,022,025	275,000	23,700	298,700	677%
1999	2,596,559	829,482	1,767,077	260,000	39,300	299,300	590%



- (1) Excludes interest income, tax revenues and intergovernmental revenues.
- (2) Excludes depreciation expense, interest expense, and tax supported expenditures.
- (3) All airport revenue bonds were paid off during 2002.

Johnson County, Kansas
Public Building Commission Revenue Bond Coverage
Last Ten Fiscal Years

Year	Gross Revenue (1)	Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$ 10,084,842	-	\$ 10,084,842	\$ 6,200,000	\$ 3,923,101	\$ 10,123,101	100%
2007	8,977,685	-	8,977,685	6,615,000	3,994,571	10,609,571	85%
2006	9,555,791	-	9,555,791	5,940,000	3,626,645	9,566,645	100%
2005	7,607,682	-	7,607,682	4,900,000	2,731,474	7,631,474	100%
2004	6,053,241	-	6,053,241	4,205,000	1,880,574	6,085,574	99%
2003	7,983,410	-	7,983,410	6,555,000	1,382,913	7,937,913	101%
2002	8,210,982	-	8,210,982	6,000,000	2,074,198	8,074,198	102%
2001	9,002,264	-	9,002,264	5,855,000	2,344,815	8,199,815	110%
2000	8,327,683	-	8,327,683	5,730,000	2,599,550	8,329,550	100%
1999	7,968,506	-	7,968,506	5,520,000	2,790,123	8,310,123	96%

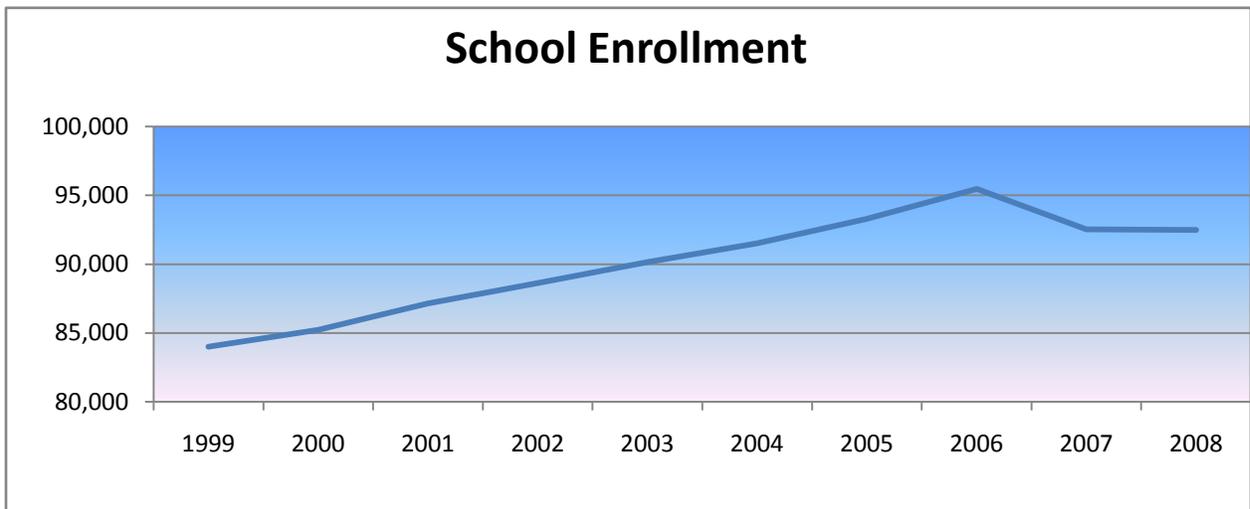
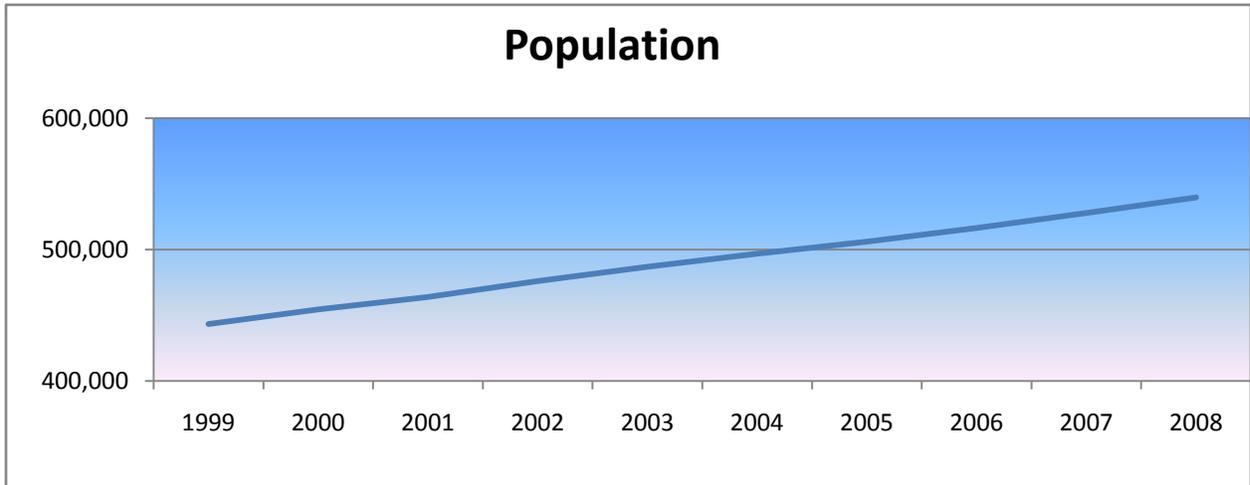


(1) Excludes interest income.

(2) Excludes depreciation expense and interest expense.

**Johnson County, Kansas
Demographic Statistics
Last Ten Fiscal Years**

Year	Population (1)	Per Capita Income (1)	Median Age (1)	Personal Income(1) **	K-12 School Enrollment (2)
2008	539,811 *	\$ 54,679 *	36.06	\$ 27,202,023 *	92,512
2007	528,023 *	52,735 *	36.00	26,234,910 *	92,546
2006	516,493	50,781	36.00	25,262,823	95,483
2005	506,172	48,123	36.42	23,940,506	93,316
2004	496,892	46,443	36.20	23,104,730	91,539
2003	486,943	44,124	35.80	21,668,847	90,175
2002	476,009	44,111	35.70	21,002,776	88,646
2001	463,974	43,721	35.40	20,289,292	87,169
2000	454,514	43,618	35.20	20,078,760	85,252
1999	443,434	40,897	35.50	18,135,099	84,017



* County estimate based upon information from the Bureau of Economic Analysis

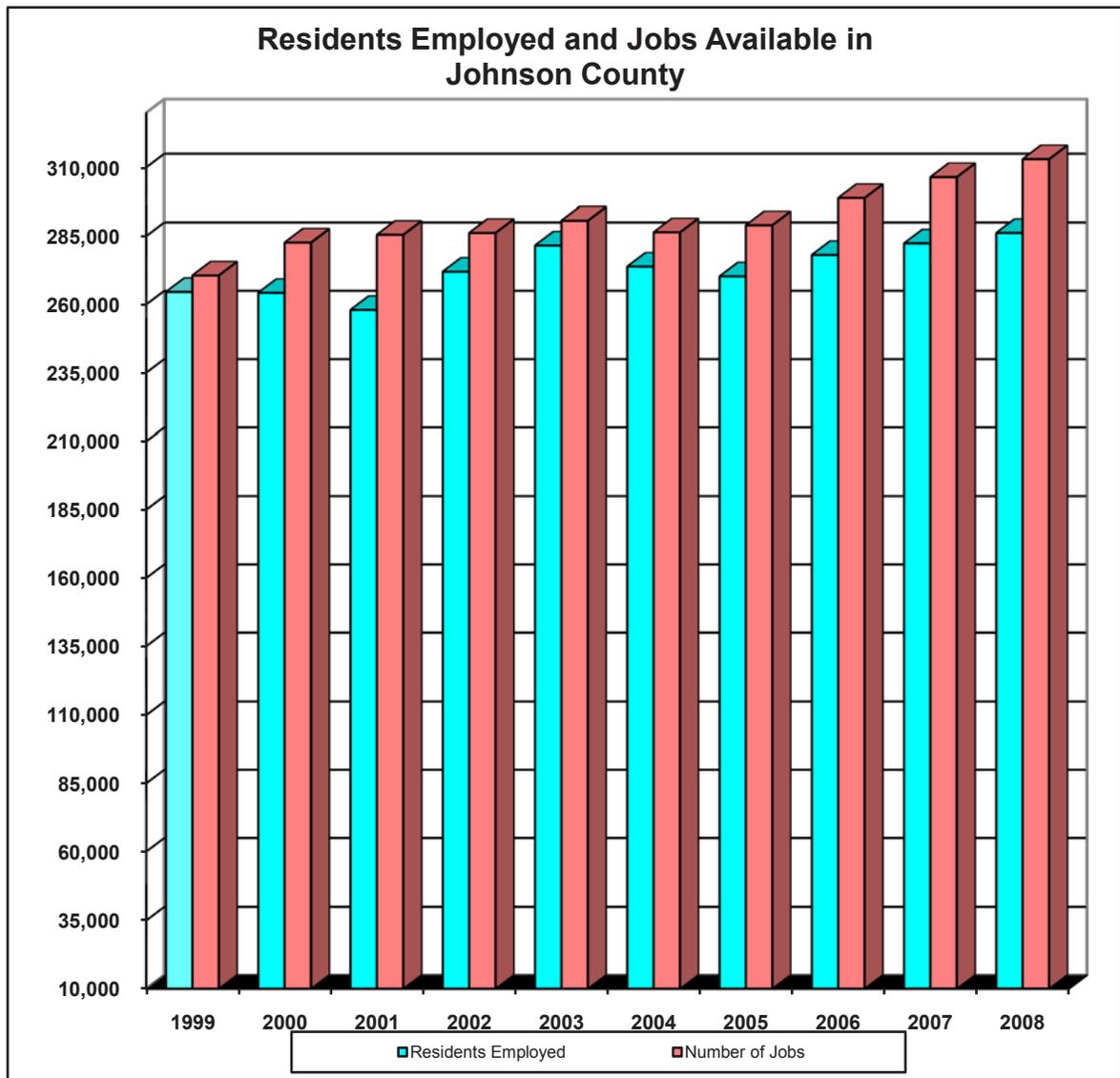
** In Thousands

(1) Bureau of Economic Analysis

(2) Kansas Department of Education

**Johnson County, Kansas
Demographic Statistics
Last Ten Fiscal Years**

Year	Residents Employed (1)	Unemployment Rate (1)	Number of Employers (2)	Number of Jobs (2)	Gross Payroll (2)
2008	286,187	4.80%	17,955 *	312,988 *	\$ 14,622,836,534 *
2007	282,346	3.70%	17,630 *	306,427 *	13,778,436,104 *
2006	278,108	4.10%	17,323	298,778	12,908,900,000
2005	270,262	4.70%	17,130	288,975	11,947,775,000
2004	273,859	4.80%	16,799	286,400	11,313,037,000
2003	281,561	4.07%	16,281	290,619	10,958,304,000
2002	271,994	3.80%	16,117	286,164	10,793,534,000
2001	257,984	3.40%	15,938	285,510	10,518,219,000
2000	264,242	2.40%	15,894	282,652	9,883,631,000
1999	264,558	1.90%	15,507	270,599	8,948,025,000



* Estimated based upon prior years data.

(1) U.S. Department of Labor Bureau of Labor Statistics and KS Dept. of Human Resources & Kansas Statistical Abstract.

(2) County Business Patterns, Bureau of the Census and Kansas Statistical Abstract

Johnson County, Kansas
Principal Taxpayers and Employers
December 31, 2008

Principal Taxpayers

Taxpayer	Type of Business	2008			1999		
		Assessed	Rank	Percentage of	Assessed	Rank	Percentage of
		Valuation		Total Assessed	Valuation		Total Assessed
Kansas City Power and Light	Utility	\$ 84,332,994	1	1.02%	\$ 52,825,601	4	1.09%
UCM/SREP-Corporate Woods	Real Estate	63,623,871	2	0.77%			
Sprint Corporation	Telecommunications	59,513,285	3	0.72%	87,342,115	1	1.80%
Southwestern Bell	Telecommunications	51,754,220	4	0.63%	63,225,060	2	1.30%
Oak Park Investment LP	Real Estate	50,228,158	5	0.61%			
Town Center Plaza	Real Estate	26,033,159	6	0.32%	16,256,319	7	0.34%
Lenexa Industrial Park, Inc.	Real Estate	24,000,611	7	0.29%	14,489,556	9	0.30%
Perg Building, LLC	Shopping Center	22,241,162	8	0.27%	12,462,744	10	0.26%
Kansas Gas Service	Utility	19,603,432	9	0.24%			
Wal-Mart Real Estate Business	Real Estate	18,909,917	10	0.23%			
Challenger, Inc.	Real Estate				33,395,348	5	0.69%
Highwoods Realty Limited	Real Estate				25,346,408	6	0.52%
ASP Lighton, LLC	Office Building				16,094,126	8	0.33%
Knickerbocker Properties	Real Estate				55,090,718	3	1.14%
Total		\$ 420,240,809		5.11%	\$ 376,527,995		7.77%

Source: Johnson County Clerk

Principal Employers

Employer	Type of Business	2008			1999		
		Employees in County	Rank	Percentage of Total Employment	Employees in County *	Rank	Percentage of Total Employment
Sprint/Nextel	Telecommunications	10,000	1	3.49%	5,000	1	1.89%
Olathe Unified School District	Public Education (K-12)	4,656	2	1.63%	1,000	17	0.38%
Shawnee Mission School District	Public Education (K-12)	4,132	3	1.44%	3,000	2	1.13%
Johnson County Government	Local Government	4,100	4	1.43%	2,500	5	0.94%
Embarq	Telecommunications	3,424	5	1.20%			
Blue Valley School District #229	Public Education (K-12)	3,187	6	1.11%	1,000	9	0.38%
Black & Veatch	Engineering Services	3,178	7	1.11%	2,500	3	0.94%
Shawnee Mission Medical Center	Healthcare Services	2,752	8	0.96%	2,000	7	0.76%
Johnson Co Community College	Public Education (Junior College)	2,648	9	0.93%	2,500	4	0.94%
Garmin International Inc	Communication Equip Mfg	2,533	10	0.89%			
United Parcel Services	Parcel Post	2,235	11	0.78%	1,000	19	0.38%
Quest Diagnostics	Testing Laboratories	2,000	12	0.70%			
Olathe Health System Inc.	Healthcare Services	1,822	13	0.64%	1,000	16	0.38%
City of Overland Park	City Government	1,508	14	0.53%			
Prescription Solutions	Healthcare Services	1,400	15	0.49%			
Deffenbaugh Industries	Refuse Disposal	1,350	16	0.47%	1,000	11	0.38%
City of Olathe	City Government	1,304	17	0.46%			
Farmers Ins.-HelpPoint Service Ctr	Insurance	1,300	18	0.45%			
YRC Worldwide	Transportation	1,200	19	0.42%			
Overland Park Regional Med Center	Healthcare Services	1,100	20	0.38%	1,000	10	0.38%
J.C. Penney	Retail Store/Catalog Operations				2,000	6	0.76%
Innovex	Clinical Research				1,000	15	0.38%
AlliedSignal General Aviation Avionics	Electronic Aviation Equipment				1,000	8	0.38%
Dillards	Department Store/Retail				1,000	12	0.38%
GE Capital	Credit Services				1,000	14	0.38%
Olsten Kimberly Quality Care	Medical Services				1,000	18	0.38%
Four B Corp. (dba HyVee, Hen House)	Retail Grocer				1,000	13	0.38%
Yellow Corporation	Oil and Gas Extraction				1,000	20	0.38%
Total		55,829		19.51%	32,500		12.28%

* Only estimates are available for 1999

Source: Above company information verified in at least two of the following sources.

[Dun & Bradstreet Million Dollar Database](#)

[Reference USA Online Business Directory](#)

[Sorkins Online Directory of Business & Government](#)

[Directory of Major Johnson County Employers 2008](#), CERl, Overland Park, KS c. 2008

Johnson County, Kansas
Operating Indicators by Function/Program
Last Seven Fiscal Years (1)

		Fiscal Year						
		2002	2003	2004	2005	2006	2007*	2008*
GOVERNMENTAL ACTIVITIES:								
<u>General Government</u>								
<i>Appraiser</i>	Number of parcels appraised per year	226,107	225,847	230,097	235,517	240,904	241,450	246,500
<i>Elections/Registration</i>	Number of voter registration applications processed	69,177	93,925	125,650	34,965	52,486	62,411	165,000
<u>Public Safety</u>								
<i>Public Safety Communication</i>	Calls dispatched for Fire and EMS units	39,072	37,744	40,659	41,512	41,629	44,240	45,745
<i>Sheriff</i>	Number of persons screened for entry into courthouse	602,910	686,468	650,121	630,423	652,126	671,690	691,840
	Inmates booked	14,833	15,386	16,281	16,851	17,831	19,079	20,415
	Number of calls for service (patrol)	40,669	37,338	33,534	41,753	49,972	59,900	71,800
	Number of calls for service (dispatch)	120,026	129,488	133,803	156,157	173,732	185,800	198,800
	Number of 911 calls received	37,093	35,370	38,362	64,396	38,339	38,000	38,000
<i>Emergency Management & Homeland Security</i>	Number of households receiving information annually	26,250	18,000	22,000	28,000	28,000	28,000	28,000
	Number of classes/orientations held	24	250	600	800	800	900	900
<u>Health and Human Services</u>								
<i>Environmental</i>	Number of times public accesses the department's internet home page	26,490	82,490	105,319	125,492	175,758	193,333	212,666
	Number of laboratory analyses	28,504	30,989	32,311	38,388	29,705	36,550	36,000
<i>Human Services and Aging</i>	Number of home-delivered meals	140,360	132,061	145,770	145,792	150,782	152,000	153,000
	Number of aging services volunteer hours	28,891	27,648	30,163	33,793	36,181	37,000	38,000
<i>Public Health</i>	Number of vaccines administered	25,335	25,232	26,206	26,503	27,022	25,200	26,000
	Number of low-income clients under 200% of poverty line receiving services	14,225	14,040	16,061	16,061	18,064	18,100	18,100
<u>Culture and Recreation</u>								
<i>Library Operating</i>	Number of items selected to develop Collections (2)	143,227	107,019	110,930	99,567	112,225	121,648	115,769
	Number of volunteer hours in support of Library	28,040	27,864	25,970	30,655	31,208	32,000	32,500
BUSINESS-TYPE ACTIVITIES:								
<u>Transportation</u>								
	Total annual ridership (transit/paratransit)	399,170	405,000	368,249	392,402	400,188	432,000	444,960
	Number of total miles all vehicles travel per day	8,000	8,100	8,200	8,300	8,300	8,300	8,300

Source: County Budget book and various department data

* Some 2007 numbers estimated. All 2008 numbers are estimates.

Note: Indicators for Public Works, Planning and economic development, Airport, Unified Wastewater District, and Public Building Commission are not available.

(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

(2) Represents the increase in number of items being added to the Library inventory.

Johnson County, Kansas
Capital Asset Statistics by Function
Last Seven Fiscal Years (1)

	Fiscal Year						
	2002	2003	2004	2005	2006	2007	2008
GOVERNMENTAL ACTIVITIES:							
<u>General Government</u>							
Department of Motor Vehicle buildings	2	2	2	2	2	2	2
<u>Public Works</u>							
Miles of hard surface pavement	261	267	270	273	279	275	252
Miles of gravel surface	248	243	240	239	234	237	224
<u>Public Safety</u>							
Med-Act Stations	17	17	17	17	17	17	17
Jails	2	2	2	2	2	2	2
Courthouse	1	1	1	1	1	1	1
<u>Health and Human Services</u>							
Community Assistance Centers	6	6	6	6	6	6	6
<u>Culture and Recreation</u>							
Number of Libraries	13	13	13	13	13	13	13
Museums	3	3	3	3	3	3	3
Parks	19	19	19	19	20	20	20
BUSINESS-TYPE ACTIVITIES:							
<u>Airport</u>							
Number of Airports	2	2	2	2	2	2	2
<u>Unified Wastewater District</u>							
Total existing footage of sewer line	10,117,460	10,303,544	8,948,312	9,222,943	10,913,138	11,099,933	11,221,232
Total existing sewer permits	103,128	106,210	108,581	110,950	112,630	113,951	114,768
Water Treatment Plants	7	7	7	7	7	7	7
<u>Transportation</u>							
Approximate Total of County Public Transportation Vehicles	100	100	100	100	100	100	100

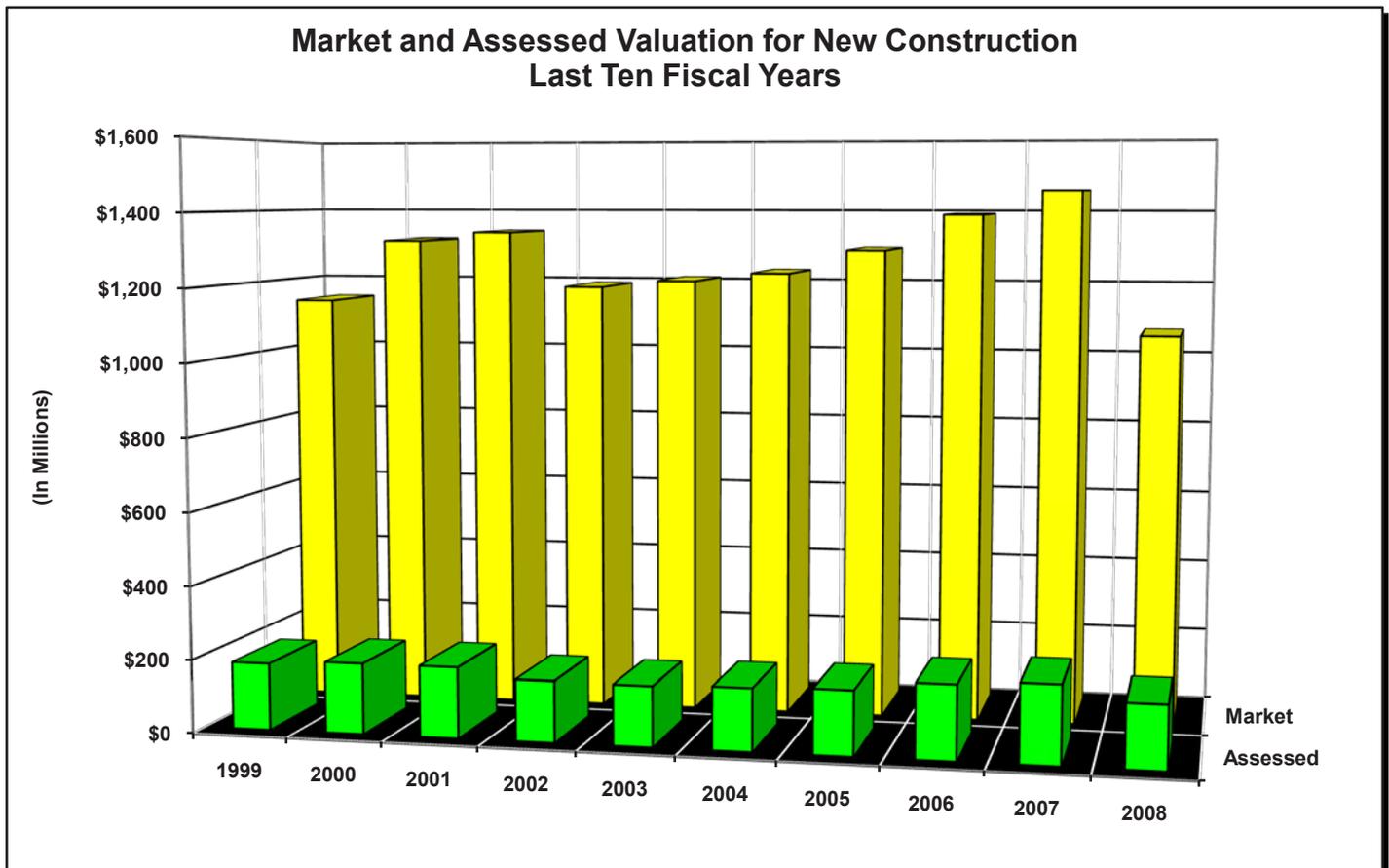
Source: County Budget book and various department data

Note: Indicators for Planning and economic development and Public Building Commission are not available.

(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

**Johnson County, Kansas
Value of New Construction
Last Ten Fiscal Years**

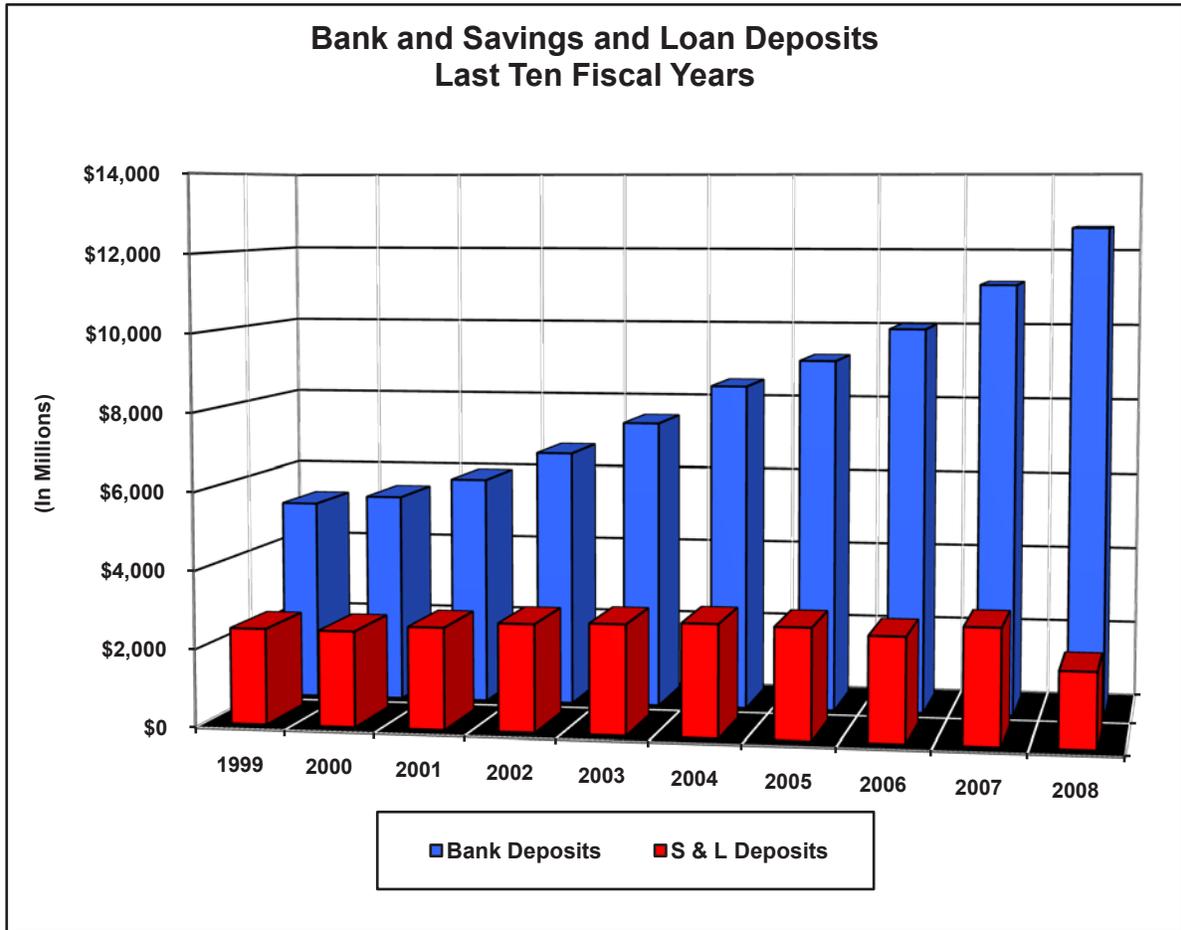
Year	Estimated Market Value Residential	Estimated Market Value Commercial	Assessed Value of New Residential Construction	Assessed Value of New Commercial Construction	Number of Residential Units	Number of Commercial Units
2008	\$ 704,475,030	\$ 363,696,740	\$ 81,014,717	\$ 90,737,363	3,394	296
2007	1,125,588,542	332,491,034	129,443,110	83,132,723	5,809	235
2006	1,085,036,091	307,003,462	124,795,223	76,542,333	6,626	243
2005	1,099,564,723	194,495,107	126,448,643	48,556,550	6,970	209
2004	1,021,300,272	208,472,500	117,449,841	52,118,145	6,956	192
2003	1,021,727,478	185,176,360	117,498,269	46,276,165	6,774	213
2002	967,075,857	221,519,130	111,213,026	55,409,520	6,133	164
2001	1,055,636,483	284,002,280	121,398,135	71,031,818	6,716	231
2000	1,025,642,128	291,092,120	119,433,151	72,600,819	7,595	262
1999	855,831,077	288,317,899	109,514,923	72,106,656	6,626	243



Source: Johnson County Appraiser

Johnson County, Kansas
Bank and Savings and Loan Deposits
Last Ten Fiscal Years

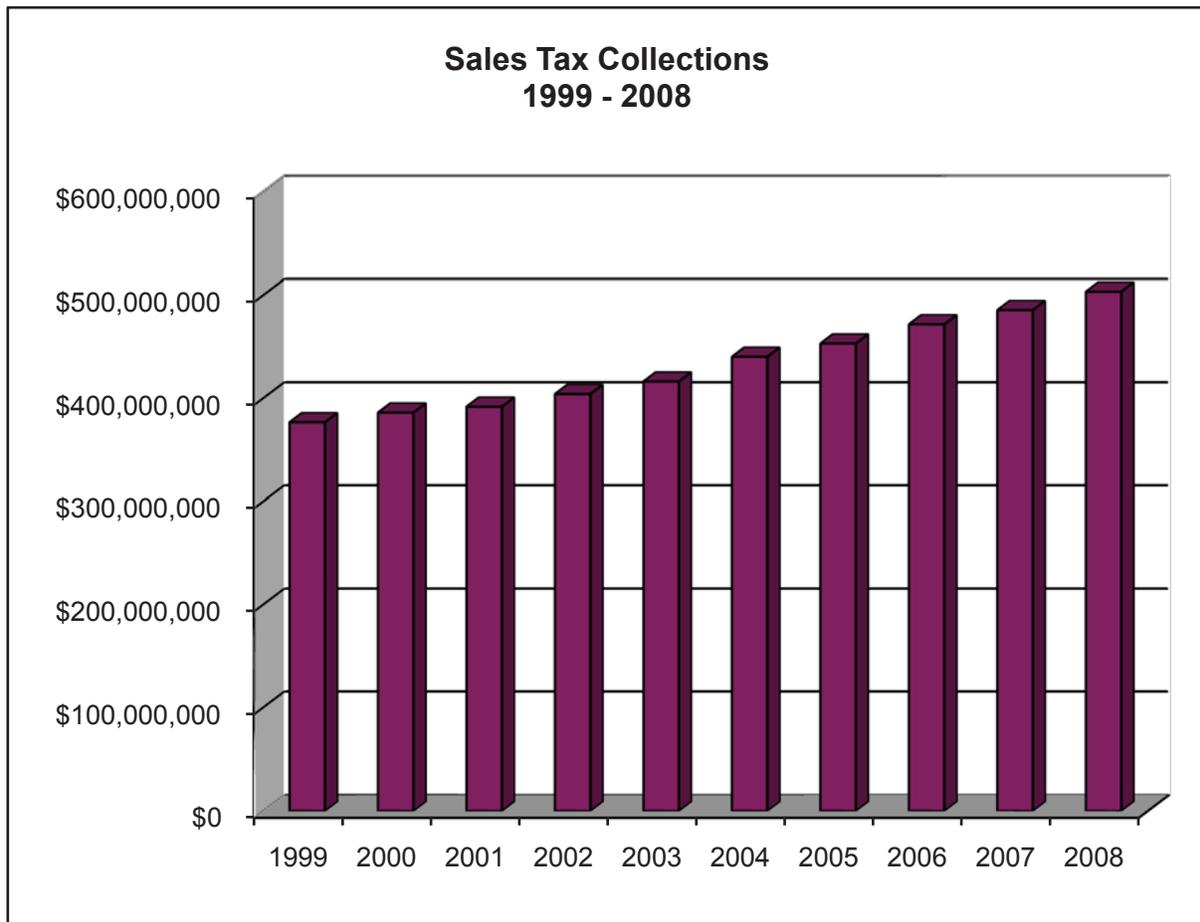
Year	Commercial Banks (1)		Savings & Loan Associations (1)	
	Number of Institutions	Deposits at June 30	Number of Offices	Deposits at June 30
2008	57	\$ 12,627,000,000	29	\$ 1,920,000,000
2007	55	11,158,000,000	33	2,947,000,000
2006	54	10,005,000,000	30	2,671,000,000
2005	50	9,162,000,000	39	2,836,000,000
2004	49	8,474,000,000	38	2,869,000,000
2003	48	7,478,000,000	36	2,805,000,000
2002	47	6,653,589,000	40	2,751,646,000
2001	44	5,918,383,000	40	2,605,728,000
2000	38	5,422,554,000	45	2,451,859,000
1999	39	5,212,678,000	42	2,462,579,000



(1) Federal Deposit Insurance Corporation.

**Johnson County, Kansas
Gross Sales and Sales Tax Collections
Last Ten Fiscal Years**

Year	Gross Sales	Increase (Decrease) Over 1999 Base	Increase (Decrease) Over Previous Year	Sales Tax Collections	Increase (Decrease) Over 1999 Base	Increase (Decrease) Over Previous Year
2008	\$18,847,164,942	7.08%	1.76%	\$503,453,890	33.67%	3.67%
2007	18,521,838,590	5.23%	3.13%	485,638,096	28.94%	2.93%
2006	17,959,207,000	2.03%	7.70%	471,825,678	25.28%	4.11%
2005	16,675,407,614	-5.26%	8.37%	453,186,261	20.33%	2.93%
2004	15,386,869,645	-12.58%	5.29%	440,296,225	16.90%	5.77%
2003	14,614,024,833	-16.97%	0.39%	416,276,770	10.53%	3.02%
2002	14,556,855,876	-17.30%	-1.24%	404,076,403	7.29%	3.15%
2001	14,739,023,333	-16.26%	-4.07%	391,729,803	4.01%	1.47%
2000	15,364,680,548	-12.71%	-12.71%	386,036,974	2.50%	2.50%
1999	17,601,337,162			376,628,417		



Note: Gross Sales and Sales Tax Collection amounts listed above are subject to change as the Kansas Department of Revenue tests the accuracy of these numbers supplied by new software.

Source: Kansas Department of Revenue
State Planning & Research

Johnson County, Kansas
Payroll By Industry
and
Tax Rates for Selected Kansas Counties
December 31, 2008

Payroll By Industry

Type of Industry	Number of Employees	Number of Firms	Gross Payroll
Manufacturing and Mining	20,398	549	\$ 969,601,000
Utilities	518	10	34,014,000
Contract Construction	16,406	1,770	773,277,000
Transportation and Warehousing	12,551	314	393,678,000
Wholesale Trade	19,101	1,393	1,114,025,000
Retail Trade	37,850	1,948	893,465,000
Finance, Insurance and Real Estate	31,557	2,706	1,821,298,000
Information	23,352	467	1,792,616,000
Professional, Scientific and Technical Services	27,560	2,697	1,616,229,000
Management and Administrative Support Services	33,396	1,251	1,442,848,000
Social Assistance and Educational Services	34,000	1,670	1,366,974,000
Accommodation and Food Services	24,914	1,011	340,747,000
Other Services	12,625	1,237	274,632,000
Agricultural Support	12	5	190,000
Arts, Entertainment and Recreation	4,461	232	73,294,000
Other	77	63	2,012,000
Total	298,778	17,323	\$ 12,908,900,000

Source: U.S. Census Bureau

Excludes government employees and self-employed individuals.

2008 Tax Rates for Selected Kansas Counties (1)

Lowest Tax Rates			Highest Tax Rates		
Rank	County Name	Tax Rate *	Rank	County Name	Tax Rate *
1	Johnson	17.767	96	Anderson	88.574
2	Seward	25.223	97	Rush	91.038
3	Haskell	25.656	98	Greeley	92.771
4	Pottawatomie	26.137	99	Chautauqua	96.118
5	Harvey	27.868	100	Lincoln	97.839
6	McPherson	28.016	101	Wichita	99.684
7	Saline	29.347	102	Hodgeman	109.683
8	Riley	30.030	103	Jewell	111.583
9	Sedgwick	30.377	104	Smith	112.508
10	Unified Government	30.477	105	Elk	117.628

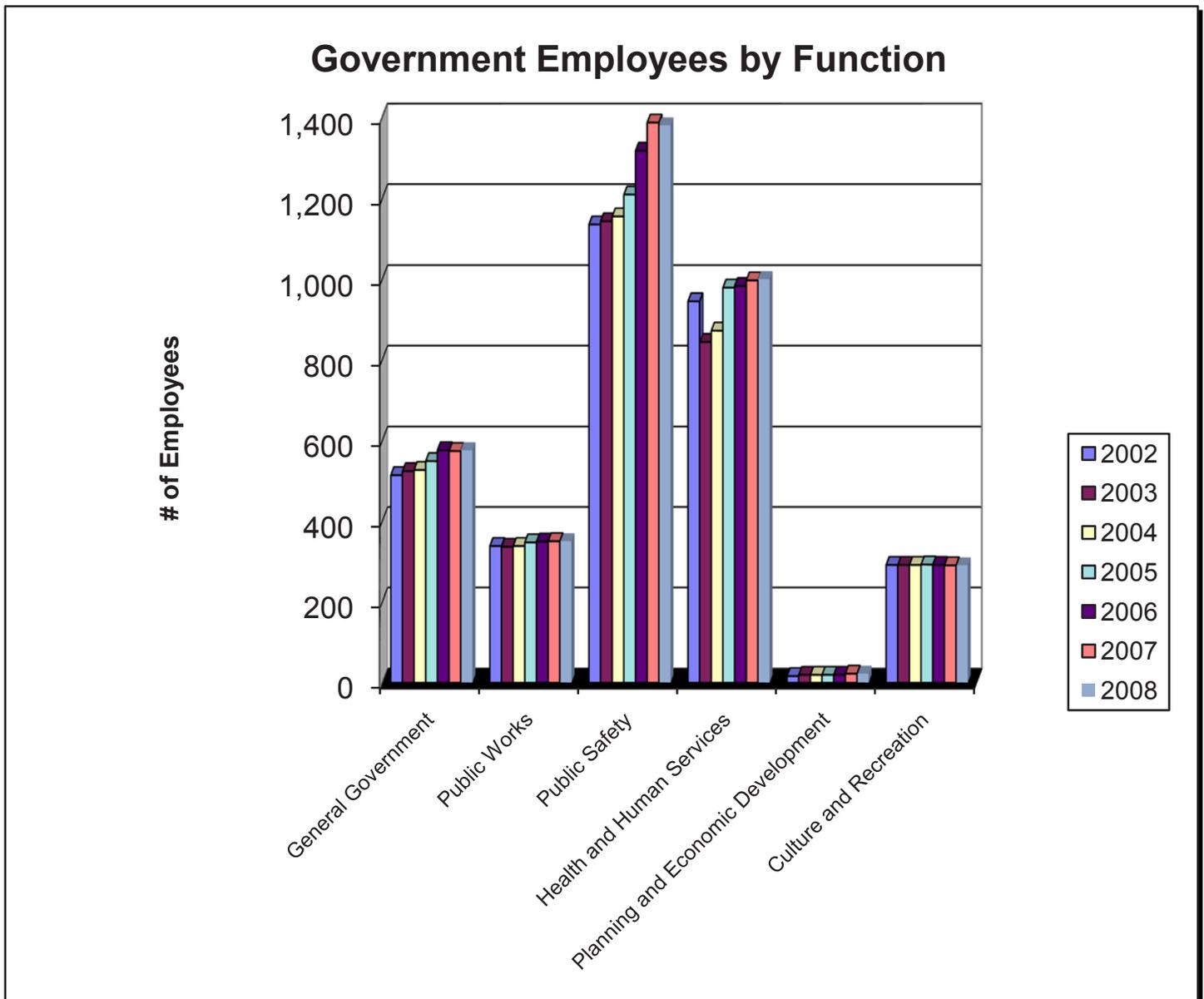
Source: League of Kansas Municipalities

* Per \$1,000 assessed valuation

(1) Taxes levied in 2008 are due December 20, 2008; but may be paid 50% by December 20, 2008 and 50% by June 20, 2009.

Johnson County, Kansas
**Full-time Equivalent County Government Employees by Function
 Last Seven Fiscal Years (1)**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government	514	524	527	549	576	574	576
Public Works	338	336	338	347	349	350	350
Public Safety	1,136	1,144	1,156	1,209	1,318	1,388	1,381
Health and Human Services	945	844	872	979	983	997	1,000
Planning and Economic Development	16	19	19	19	19	22	22
Culture and Recreation	291	291	291	292	291	290	290
Total	3,240	3,158	3,203	3,395	3,536	3,621	3,619

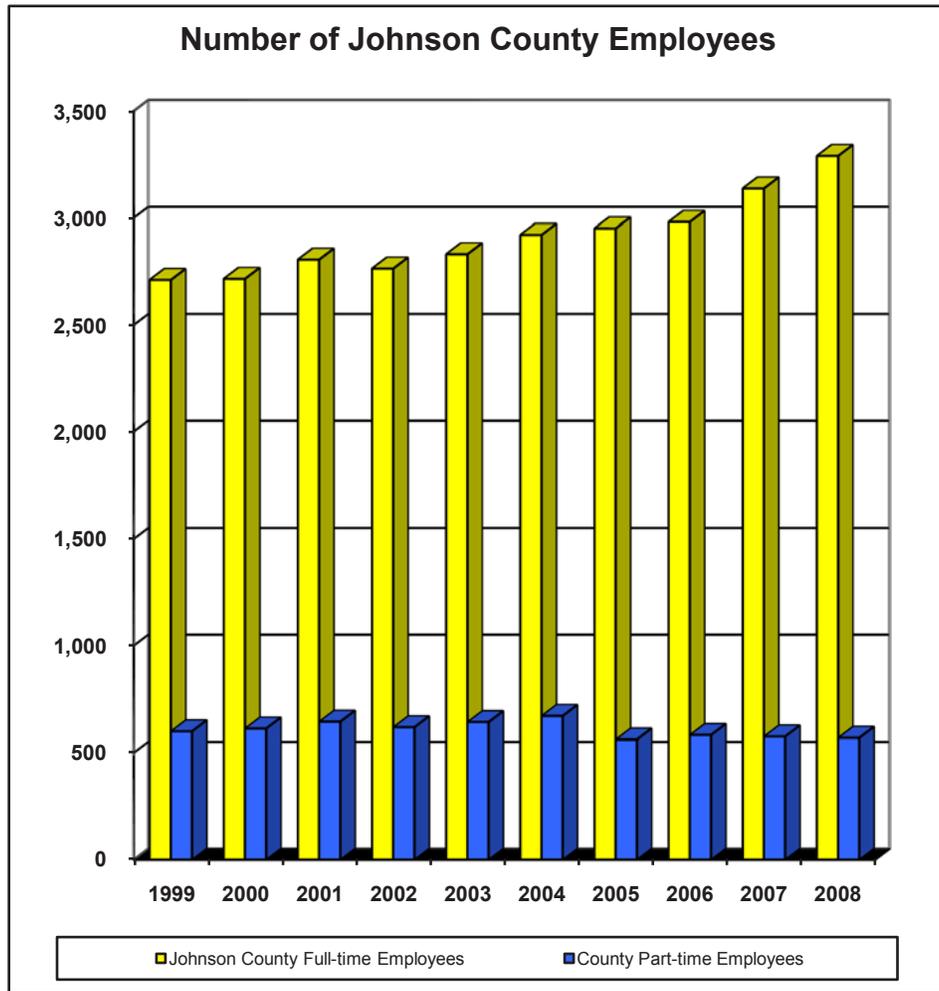


Source: County Budget Department

(1) As a result of the first year of implementation of GASB 34 in 2002, only seven years of information is available.

**Johnson County, Kansas
Number of Employees
Last Ten Fiscal Years**

<u>Year</u>	<u>Number of Johnson County Full-time Employees</u>	<u>Number of Johnson County Part-time Employees</u>
2008	3,289	569
2007	3,137	575
2006	2,981	582
2005	2,951	561
2004	2,921	671
2003	2,831	642
2002	2,764	618
2001	2,806	644
2000	2,716	612
1999	2,711	599



Source: Johnson County Payroll System.

**Johnson County, Kansas
County Road System
and
Unified Wastewater District Statistics**
December 31, 2008

County Road System

Pavement	Area
Hard surface 252 miles	479 square miles
Gravel surface 224 miles	
Total miles: <u>476 miles</u>	

Source: Johnson County Public Works

Unified Wastewater District

Sewer District	Footage of Sewer Line		Sewer Permits	
	Added in 2008	Total	Issued in 2008	Total
Blue River	65,299	1,208,493	278	12,478
Blue River #4 Lagoon	-	7,537	-	57
Indian Creek Middle Basin	476	867,186	51	11,085
Kansas City, Missouri	569	689,154	27	1,290
Little Bull Creek Lagoon	-	-	-	-
Mill Creek Regional	34,648	2,688,589	249	18,467
Mission Main	-	1,512,341	33	18,613
New Century	2,543	72,863	14	370
Tomahawk	4,979	2,915,340	119	35,611
Turkey Creek	12,785	1,259,729	46	16,797
TOTAL	121,299	11,221,232	817	114,768

Source: Johnson County Unified Wastewater District

Johnson County, Kansas
Summary of Insurance in Force
December 31, 2008

Company	Term		Coverage	Liability
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	Mobile Construction Equipment and Radio Equipment	\$ 17,105,432
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	EDP Equipment incld Telephone Equipment	25,419,654
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	Voting Machines	5,500,050
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	Emergency Equipment	4,827,859
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	Fine Art - Museum	2,715,929
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	Real & Personal Property	525,861,310
Factory Mutual Ins. Co.	1/1/2008	1/1/2009	Boiler & Machinery	Included
Columbia Casualty Co.	1/1/2008	1/1/2009	Law Enforcement Professional Liability – Sheriff’s Operations (1)	1,000,000
Columbia Casualty Co.	1/1/2008	1/1/2009	Law Enforcement Professional Liability – Sheriff’s Operations (2)	2,000,000
Columbia Casualty Co.	4/12/2008	4/12/2009	Premises & Professional Liability - Community Corrections Adult Services (1)	500,000
Columbia Casualty Co.	4/12/2008	4/12/2009	Premises & Professional Liability - Community Corrections Adult Services (2)	1,000,000
Columbia Casualty Co.	7/1/2008	7/1/2009	Premises & Professional Liability–Community Corrections Juvenile Services (1)	1,000,000
Columbia Casualty Co.	7/1/2008	7/1/2009	Premises & Professional Liability–Community Corrections Juvenile Services (2)	2,000,000
Self-Insured	1/1/2008	1/1/2009	Workers’ Compensation & Employers Liability (4)	350,000
Safety National	1/1/2008	1/1/2009	Workers’ Compensation Specific Excess - \$350,000 Retention	Statutory Limit
Safety National	1/1/2008	1/1/2009	Employers’ Liability (4)	500,000
Hartford	10/10/2008	10/10/2009	Public Official Bond - County Treasurer	1,750,000
Hartford	8/1/2008	8/1/2009	Public Official Bond - Health Officer	500
Hartford	1/14/2008	1/14/2009	Public Official Bond – Mental Health Board Treasurer	10,000
Hartford	8/29/2008	8/29/2009	Public Official Bond - County Engineer	2,500
Hartford	1/1/2008	1/1/2009	Public Employees Blanket Bond & Faithful Performance Bond (1)	1,750,000
Hartford	1/1/2008	1/1/2009	Theft Disappearance and Destruction (1)	1,750,000
Federal Ins. Co.	1/1/2008	1/1/2009	Fiduciary Liability (1)	1,000,000
Granite State Ins.	1/1/2008	1/1/2009	Premises & Professional Liability - JCDS (1)	1,000,000
Granite State Ins.	1/1/2008	1/1/2009	Premises & Professional Liability – JCDS (2)	3,000,000
Lexington Ins.	1/1/2008	1/1/2009	Premises & Professional Liability - Adolescent Center for Treatment (1)	1,000,000
Lexington Ins.	1/1/2008	1/1/2009	Premises & Professional Liability - Adolescent Center for Treatment (2)	3,000,000
Old Republic	1/1/2008	1/1/2009	Airport Liability (1) (2)	10,000,000
Genesis Ins. Co.	1/1/2008	1/1/2009	Excess Automobile Liability - Self-Insured Retention: \$350,000 (3) (4)	500,000
Genesis Ins. Co.	1/1/2008	1/1/2009	Excess General Liability - Self-Insured Retention: \$350,000 (1) (3)	500,000
Genesis Ins. Co.	1/1/2008	1/1/2009	Excess General Liability - Self-Insured Retention: \$350,000 (2)	1,000,000
Genesis Ins. Co.	1/1/2008	1/1/2009	Public Officials E&O–Employment Practices Liability Self-insured Retention: \$350,000 (1)	1,000,000
Genesis Ins. Co.	1/1/2008	1/1/2009	Public Officials E&O–Employment Practices Liability Self-insured Retention: \$350,000 (2)	2,000,000
Continental Casualty Co.	1/1/2008	1/1/2009	Professional Liability - Mental Health (1)	1,000,000
Continental Casualty Co.	1/1/2008	1/1/2009	Professional Liability - Mental Health (2)	3,000,000
Lexington Ins. Co.	1/1/2008	1/1/2009	Professional Liability - Public Health (1)	1,000,000
Lexington Ins. Co.	1/1/2008	1/1/2009	Professional Liability - Public Health (2)	3,000,000
Steadfast Ins.	1/1/2008	1/1/2009	Switch Engine Physical Damage	235,000
Steadfast Ins.	1/1/2008	1/1/2009	Switch Engine Liability (1)	1,000,000
Steadfast Ins.	1/1/2008	1/1/2009	Switch Engine Liability (2)	3,000,000
American Safety Risk	4/12/2008	4/12/2009	Contractor’s Pollution Liability – Weatherization Program (1) (2)	500,000
Tudor Insurance	3/1/2008	3/1/2009	Professional Liability - Library	1,000,000
Employers of Wausau	7/1/2008	7/1/2009	Student Volunteer Personal Liability	1,000,000
Life Ins. of N.A.	7/1/2008	7/1/2009	Student Volunteer Accident Insurance	25,000

(1) per occurrence, (2) aggregate, (3) combined single limit and (4) each accident

Source: Johnson County Risk Management