

**RICE COUNTY, KANSAS**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

**RICE COUNTY, KANSAS**  
**For the Year Ended December 31, 2009**

**BOARD OF COUNTY COMMISSIONERS**

Derek McCloud  
Chairman

Bill Oswalt

Jack Bray

**LIST OF PRINCIPAL OFFICIALS**

Alicia Showalter  
County Clerk

Shawna Bieherle  
County Treasurer

Rhonda Hunt  
Register of Deeds

John Achatz  
Public Works

Gayla Godfrey  
Appraiser

Terry David  
Emergency Medical  
Services

Scott McPherson  
County Attorney

Levi Beaver  
Noxious Weed/Planning  
And Zoning

Marci Ballard  
Health Department

Dale Higgins  
County Sheriff

Jill Nichols  
Economic Dev. Director/  
County Coordinator

**RICE COUNTY, KANSAS**  
**FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2009**

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**RICE COUNTY, KANSAS**  
**FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2009**

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SWINDOLL  
JANZEN  
HAWK &  
LOYD, LLC

Certified Public Accountants

B. Carver Swindoll, CPA  
Keith S. Janzen, CPA  
Kyle J. Hawk, CPA  
D. Scot Loyd, CGFM, CPA

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## INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Rice County  
Lyons, Kansas 67554-2799

We have audited the accompanying financial statements of Rice County, Kansas, as of and for the year ended December 31, 2009 as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

The financial statements do not include financial data for the County's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for its component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that includes the financial statements. The County has not issued such reporting entity financial statements. The effect on the financial statements of the omission of the component units, although not reasonably determinable, is presumed to be material.

As described more fully in Note 1, the County has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the omission of the financial data of the component units of the County and because of the County's policy to prepare its financial statements on the statutory basis of accounting, as discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County as of December 31, 2009, or the changes in its financial position for the year then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the County, as of December 31, 2009, and its cash receipts and expenditures or disbursements, and budgetary comparisons for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 7, 2010, on our consideration of Rice County, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Rice County, Kansas' financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of Rice County, Kansas. The other supplementary information and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole. Rice County, Kansas' responses to the findings identified in our audit are described in the accompanying schedule of findings and question costs and 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.

Swindoll, Janzen, Hawk & Loyd, LLC

Certified Public Accountants

September 7, 2010



Certified Public Accountants

B. Carver Swindoll, CPA  
Keith S. Janzen, CPA  
Kyle J. Hawk, CPA  
D. Scot Loyd, CGFM, CPA

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

Board of County Commissioners  
Rice County  
Lyons, Kansas 67554-2799

We have audited the financial statements of the Rice County, Kansas as of and for the year ended December 31, 2009, and have issued our report thereon dated September 7, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Rice County, Kansas' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Rice County, Kansas' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Rice County, Kansas' internal control over financial reporting.

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Rice County, Kansas' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Rice County, Kansas' financial statements that is more than inconsequential will not be prevented or detected by the Rice County, Kansas' internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting, item 09-01 and 09-02.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Rice County, Kansas' internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

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

We also noted certain other matters that we reported to management of the Rice County, Kansas in a separate letter dated September 7, 2010.

The Rice County, Kansas' responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the Rice County, Kansas' response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, County Commissioners, federal awarding agencies, pass-through entities and for filing with the Division of Accounts and Reports and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Swindoll, Janzen, Hawk & Loyd, LLC

Certified Public Accountants

September 7, 2010



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**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of County Commissioners  
Rice County  
Lyons, Kansas 67554-2799

Compliance

We have audited the compliance of Rice County, Kansas, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. Rice County, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Rice County, Kansas' management. Our responsibility is to express an opinion on Rice County, Kansas' compliance based on our audit.

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

In our opinion, Rice County, Kansas, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of Rice County, Kansas is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Rice County, Kansas' internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Rice County, Kansas' internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of management, County Commissioners, others within the entity, federal awarding agencies, pass-through entities and for filing with the Division of Accounts and Reports and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Swindoll, Janzen, Hawk & Loyd, LLC

Certified Public Accountants

September 7, 2010

RICE COUNTY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
For the Year Ended December 31, 2009

Fund	Beginning Unencumbered Cash		Prior Year Canceled Encumbrances	Cash Receipts		Expenditures	Ending Unencumbered Cash Balance		Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance	
	1-01-09	12-31-09		1-01-09	12-31-09		12-31-09	12-31-09			
GENERAL FUND	\$ 713,522	\$ 18,636	\$ 3,877,059	\$ 4,383,940	\$ 225,277	\$ 104,872	\$ 330,149				
SPECIAL REVENUE FUNDS:											
Emergency Medical Service	216,463	498	384,535	453,415	148,081	10,922	159,003				
Employee Benefits	497,857	-	975,542	1,090,808	382,591	1,055	383,646				
Fire District No. 1 General	(187)	4,098	260,540	261,440	3,011	1,301	4,312				
Noxious Weed	8,154	60	313,451	279,571	42,094	2,523	44,617				
Road and Bridge	120,629	242,177	2,444,777	2,099,720	707,863	49,630	757,493				
County Health	24,062	320	225,162	239,213	10,331	4,969	15,300				
Senior Citizens	480	-	230,899	231,379	-	-	-				
Historical Records	-	-	118,676	118,676	-	-	-				
911	49,141	-	39,326	20,397	68,070	13	68,083				
911 Wireless	44,170	-	131,996	138,099	38,067	-	38,067				
EMS Special Equipment	173,936	-	35,000	25,429	183,507	-	183,507				
Noxious Weed Capital Outlay	50,828	-	10,000	-	60,828	-	60,828				
Risk Management Reserve	507,898	7,255	68,253	88,444	494,962	-	494,962				
Capital Improvement	597,039	1,333	1,282,391	1,374,470	506,293	339,219	845,512				
Equipment Reserve	346,988	1,602	177,949	91,577	434,962	-	434,962				
Transient Guest Tax	5,711	-	17,178	11,720	11,169	2,000	13,169				
Special Alcohol Programs	6,199	-	3,223	4,456	4,966	-	4,966				
Asset Forfeiture	6,843	-	-	-	6,843	-	6,843				
EMS Reserve	19,870	-	8,276	17,887	10,259	2,972	13,231				
Fire District No. 1 Special Equipment	98,015	-	50,000	-	148,015	-	148,015				
Prosecutor Training Assistance	6,817	-	1,057	460	7,414	-	7,414				
Register of Deeds Technology	23,981	-	17,586	10,000	31,567	-	31,567				
Road and Bridge Special Machinery	200,513	-	300,000	157,911	342,602	-	342,602				
Solid Waste Recycling	45,304	-	7,513	-	52,817	-	52,817				
Special Prosecutor Trust	2,390	-	-	-	2,390	-	2,390				
Parks and Recreation	1,045	-	586	-	1,631	-	1,631				
Treasurer's Motor Vehicle	32,600	-	107,964	113,048	27,516	828	28,344				
TOTAL SPECIAL REVENUE FUNDS	3,086,746	257,343	7,211,880	6,828,120	3,727,849	415,432	4,143,281				
DEBT SERVICE FUND:											
Bond and Interest Fund	48,113	-	257,150	227,928	77,335	-	77,335				

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

RICE COUNTY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
For Year Ended December 31, 2009

Fund	Beginning Unencumbered Cash		Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance 12-31-09	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance 12-31-09
	1-01-09	12-31-08						
Enterprise Fund Rice County Detention Center	\$ 253,580	\$ 2,603	\$ 1,162,292	\$ 1,427,798	\$ (9,323)	\$ 24,340	\$ 15,017	
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 4,101,961	\$ 278,582	\$ 12,508,361	\$ 12,867,786	\$ 4,021,138	\$ 544,644	\$ 4,565,782	

Composition of Cash:

Cash and cash items	\$ 965
Checking Accounts	5,397,580
Money Market Accounts	3,004,513
Certificates of Deposit	490,000
Kansas Municipal Investment Pool	5,900,000
Held by Security Bank of Kansas City Corporate Trust Services:	
Federated - Government Obligations Fund #395	100,000
Money Market Investment account - Government Obligations Fund	100,000
Held by Commerce Trust Company	
Financial Square Trust - Treasury Obligation Fund Preferred 469	162
Other Accounts:	
Sheriff and Detention Center - Inmate Trust and Commissary - Checking Account	18,016
State of Kansas - Clerk of District Court - Checking Account	7,982
Law Library - Checking Account	8,489
Total Cash and Investments	15,027,707
Less Agency Funds per Statement 4	(10,461,925)
Total Reporting Entity (Excluding Agency Funds)	\$ 4,565,782

## RICE COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Favorable (Unfavorable)</u>
GENERAL FUND	\$ 4,758,953	\$ -	\$ 4,758,953	\$ 4,383,940	\$ 375,013
SPECIAL REVENUE FUNDS:					
Emergency Medical Service	453,943	-	453,943	453,415	528
Employee Benefits	1,436,000	-	1,436,000	1,090,808	345,192
Fire District No. 1 General	261,480	-	261,480	261,440	40
Noxious Weed	289,101	-	289,101	279,571	9,530
Road and Bridge	2,171,888	-	2,171,888	2,099,720	72,168
County Health	217,790	-	217,790	239,213	(21,423)
Senior Citizens	233,680	-	233,680	231,379	2,301
Historical Records	120,000	-	120,000	118,676	1,324
911	45,583	-	45,583	20,397	25,186
911 Wireless	37,515	-	37,515	138,099	(100,584)
EMS Special Equipment	179,832	-	179,832	25,429	154,403
Noxious Weed Capital Outlay	45,828	-	45,828	-	45,828
Risk Management Reserve	303,779	-	303,779	88,444	215,335
Capital Improvement	200,000	-	200,000	1,374,470	(1,174,470)
Equipment Reserve	490,767	-	490,767	91,577	399,190
Transient Guest Tax	10,000	-	10,000	11,720	(1,720)
Special Alcohol Programs	8,377	-	8,377	4,456	3,921
Total Special Revenue Funds	6,505,563	-	6,505,563	6,528,814	(23,251)
DEBT SERVICE FUND:					
Bond and Interest Fund	227,950	-	227,950	227,928	22
ENTERPRISE FUND:					
Rice County Dentention Center	1,235,471	-	1,235,471	1,427,798	(192,327)
Total Primary Government	\$ 12,727,937	\$ -	\$ 12,727,937	\$ 12,568,480	\$ 159,457

## RICE COUNTY, KANSAS

GENERAL FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 1,863,933	\$ 1,926,885	\$ (62,952)
Delinquent tax	50,295	45,000	5,295
Interest and charges on delinquent taxes	86,518	70,000	16,518
Motor vehicle tax	190,661	143,395	47,266
Recreational vehicle tax	3,603	2,776	827
16/20M vehicle tax	14,095	8,267	5,828
Local retail sales tax	550,109	300,000	250,109
Mineral tax	24,760	20,000	4,760
In lieu of tax	1,705	-	1,705
Local alcoholic liquor tax	585	-	585
Special assessments	298,845	225,000	73,845
Telecommunication and railroad machinery	18,592	-	18,592
Neighborhood revitalization	(7,130)	-	(7,130)
Total Taxes	<u>3,096,571</u>	<u>2,741,323</u>	<u>355,248</u>
Licenses, Permits, and Fees -			
Mortgage registration tax	64,483	75,000	(10,517)
Officers' fees	52,803	51,000	1,803
Transfer from Treasurer's Motor Vehicle Fund	33,650	10,000	23,650
Diversion fees	19,260	30,000	(10,740)
Total Licenses, Permits, and Fees	<u>170,196</u>	<u>166,000</u>	<u>4,196</u>
Use of Money and Property -			
Interest on idle funds	146,243	200,000	(53,757)
Rents	8,214	-	8,214
Airport hangar rental	3,850	5,500	(1,650)
Total Use of Money and Property	<u>158,307</u>	<u>205,500</u>	<u>(47,193)</u>
Miscellaneous -			
Dispatch reimbursement	117,466	115,000	2,466
Airport - City reimbursement	8,555	10,000	(1,445)
Election reimbursement	2,292	-	2,292
Other reimbursements	106,334	10,000	96,334
Grants	207,516	7,000	200,516
Miscellaneous	9,822	25,000	(15,178)
Prior year purchase orders cancelled	18,636	-	18,636
Total Miscellaneous	<u>470,621</u>	<u>167,000</u>	<u>303,621</u>
Total Cash Receipts	<u>3,895,695</u>	<u>\$ 3,279,823</u>	<u>\$ 615,872</u>

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

## RICE COUNTY, KANSAS

GENERAL FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Expenditures			
County Commission -			
Personal services	\$ 48,185	\$ 48,000	\$ (185)
Contractual services	27,265	22,050	(5,215)
Commodities	1,648	8,500	6,852
Capital outlay	-	1,000	1,000
Total County Commission	<u>77,098</u>	<u>79,550</u>	<u>2,452</u>
County Commission, Administration Operations -			
Personal services	838	18,000	17,162
Contractual services	30,969	32,500	1,531
Commodities	4,156	5,500	1,344
Total County Commission, Administration Operations	<u>35,963</u>	<u>56,000</u>	<u>20,037</u>
County Commission, Special -			
Personal services	58,929	30,000	(28,929)
Contractual services	62,410	100,000	37,590
Commodities	6,311	200,000	193,689
Capital outlay	4,500	425,000	420,500
Building rental - Detention	141,755	300,000	158,245
Economic development	52,845	-	(52,845)
Juvenile Detention	7,890	-	(7,890)
District Court- jury fees	6,004	-	(6,004)
Total County Commission, Special	<u>340,644</u>	<u>1,055,000</u>	<u>714,356</u>
County Clerk -			
Personal services	110,947	111,782	835
Contractual services	17,716	23,650	5,934
Commodities	2,913	2,800	(113)
Capital outlay	270	2,500	2,230
Total County Clerk	<u>131,846</u>	<u>140,732</u>	<u>8,886</u>

RICE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Expenditures			
County Treasurer -			
Personal services	\$ 91,637	\$ 91,640	\$ 3
Contractual services	26,909	27,320	411
Commodities	569	2,200	1,631
Capital outlay	308	1,100	792
Transfer to Equipment Reserve Fund	-	3,000	3,000
Total County Treasurer	<u>119,423</u>	<u>125,260</u>	<u>5,837</u>
Register of Deeds -			
Personal services	74,528	73,512	(1,016)
Contractual services	11,360	13,218	1,858
Commodities	1,393	2,500	1,107
Transfer to Equipment Reserve Fund	10,000	10,000	-
Total Register of Deeds	<u>97,281</u>	<u>99,230</u>	<u>1,949</u>
Courthouse -			
Personal services	25,398	23,000	(2,398)
Contractual services	27,271	46,100	18,829
Commodities	7,726	8,800	1,074
Capital outlay	12,153	2,000	(10,153)
Total Courthouse	<u>72,548</u>	<u>79,900</u>	<u>7,352</u>
Attorney:			
Personal services	145,835	126,985	(18,850)
Contractual services	25,288	31,011	5,723
Commodities	7,075	5,000	(2,075)
Capital outlay	1,760	5,500	3,740
Total Attorney	<u>179,958</u>	<u>168,496</u>	<u>(11,462)</u>

RICE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Expenditures			
Diversion -			
Diversion expenditures	\$ 25,555	\$ -	\$ (25,555)
Emergency Management -			
Personal services	15,138	20,200	5,062
Contractual services	35,792	9,600	(26,192)
Commodities	3,498	3,200	(298)
Capital outlay	4,683	14,000	9,317
Total Emergency Management	59,111	47,000	(12,111)
Unified Court -			
Contractual services	100,506	101,260	754
Commodities	5,466	5,000	(466)
Capital outlay	7,768	2,700	(5,068)
Transfer to Equipment Reserve Fund	-	6,500	6,500
Total Unified Court	113,740	115,460	1,720
Appraiser -			
Personal services	121,820	118,868	(2,952)
Contractual services	34,063	39,970	5,907
Commodities	4,707	6,700	1,993
Capital outlay	498	-	(498)
Transfer to Equipment Reserve Fund	12,000	1,000	(11,000)
Total Appraiser	173,088	166,538	(6,550)
GIS -			
Contractual services	9,928	11,400	1,472
Commodities	809	2,000	1,191
Capital outlay	1,400	-	(1,400)
Transfer to Equipment Reserve Fund	2,000	1,400	(600)
Total GIS	14,137	14,800	663

RICE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Expenditures			
Planning and Zoning -			
Personal services	\$ 19,901	\$ 19,825	\$ (76)
Contractual services	2,379	2,700	321
Commodities	-	100	100
Total Planning and Zoning	<u>22,280</u>	<u>22,625</u>	<u>345</u>
Solid Waste -			
Personal services	113,081	67,208	(45,873)
Contractual services	323,421	287,092	(36,329)
Commodities	34,182	53,200	19,018
Capital outlay	-	12,500	12,500
Total Solid Waste	<u>470,684</u>	<u>420,000</u>	<u>(50,684)</u>
Election -			
Personal services	16,686	15,000	(1,686)
Contractual services	9,409	21,325	11,916
Commodities	2,839	4,100	1,261
Transfer to Equipment Reserve Fund	2,000	2,500	500
Board worker expense	4,045	-	(4,045)
Total Election	<u>34,979</u>	<u>42,925</u>	<u>7,946</u>
Airport -			
Personal services	1,004	1,200	196
Contractual services	41,857	41,650	(207)
Commodities	311	7,000	6,689
Capital outlay	1,535	150	(1,385)
Total Airport	<u>44,707</u>	<u>50,000</u>	<u>5,293</u>

## RICE COUNTY, KANSAS

GENERAL FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Expenditures			
Sheriff -			
Personal services	\$ 247,600	\$ 255,082	\$ 7,482
Contractual services	53,354	63,950	10,596
Commodities	30,470	196,500	166,030
Capital outlay	30,184	7,500	(22,684)
Detention expense	239,038	150,000	(89,038)
Transfer to Equipment Reserve Fund	-	20,000	20,000
Building rental - Detention	150,000	-	(150,000)
Total Sheriff	<u>750,646</u>	<u>693,032</u>	<u>(57,614)</u>
Sheriff - Communications -			
Personal services	169,259	164,714	(4,545)
Contractual services	22,407	25,500	3,093
Commodities	4,549	5,300	751
Capital outlay	4,817	5,200	383
Building rental - Detention	50,000	50,000	-
Transfer to Equipment Reserve Fund	5,779	5,779	-
Total Sheriff - Communications	<u>256,811</u>	<u>256,493</u>	<u>(318)</u>
Economic Development -			
Personal services	48,191	48,000	(191)
Contractual services	21,188	23,178	1,990
Commodities	2,124	1,600	(524)
Capital outlay	1,233	4,000	2,767
Dues and membership	2,494	-	(2,494)
Director travel/mileage expense	356	-	(356)
Total Economic Development	<u>75,586</u>	<u>76,778</u>	<u>1,192</u>

RICE COUNTY, KANSAS

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Expenditures			
Other Appropriations -			
Mental health	\$ 38,192	\$ 38,192	\$ -
Mental retardation	56,000	56,000	-
Extension council	107,500	107,500	-
Agricultural building	14,242	14,242	-
Fair	3,200	3,200	-
Soil conservation	30,000	30,000	-
Prevention grant	150	-	(150)
Grant program expenditures	<u>176,072</u>	<u>-</u>	<u>(176,072)</u>
Total Other Appropriations	<u>425,356</u>	<u>249,134</u>	<u>(176,222)</u>
Miscellaneous	<u>12,390</u>	<u>-</u>	<u>(12,390)</u>
Transfers to other funds -			
Road and Bridge Fund - sales tax	550,109	300,000	(250,109)
Equipment Reserve Fund	-	200,000	200,000
Capital Improvement Fund	300,000	200,000	(100,000)
Risk Management Reserve Fund	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Total Transfers to Other Funds	<u>850,109</u>	<u>800,000</u>	<u>(50,109)</u>
Total Expenditures	<u>4,383,940</u>	<u>\$ 4,758,953</u>	<u>\$ 375,013</u>
Receipts Over (Under) Expenditures	(488,245)		
Unencumbered Cash, Beginning	<u>713,522</u>		
Unencumbered Cash, Ending	<u>\$ 225,277</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDEMERGENCY MEDICAL SERVICE FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 117,700	\$ 121,739	\$ (4,039)
Delinquent tax	3,668	2,000	1,668
Motor vehicle tax	13,095	12,116	979
Recreational vehicle tax	248	235	13
16/20M vehicle tax	1,006	698	308
In lieu of tax	108	-	108
Telecommunication and railroad machinery	1,174	-	1,174
Neighborhood revitalization	(450)	-	(450)
Collections - current year	198,081	150,000	48,081
Collections - prior year	49,731	30,000	19,731
Miscellaneous	174	-	174
Prior year purchase order cancelled	498	-	498
Total Cash Receipts	<u>385,033</u>	<u>\$ 316,788</u>	<u>\$ 68,245</u>
Expenditures			
Personal services	331,430	\$ 330,043	\$ (1,387)
Contractual services	57,205	69,400	12,195
Commodities	25,682	31,500	5,818
Capital outlay	4,098	23,000	18,902
Transfer to EMS Special Equipment Fund	35,000	-	(35,000)
Total Expenditures	<u>453,415</u>	<u>\$ 453,943</u>	<u>\$ 528</u>
Receipts Over (Under) Expenditures	(68,382)		
Unencumbered Cash, Beginning	<u>216,463</u>		
Unencumbered Cash, Ending	<u>\$ 148,081</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDEMPLOYEE BENEFITS FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 730,329	\$ 755,092	\$ (24,763)
Delinquent tax	17,627	5,000	12,627
Motor vehicle tax	83,731	80,285	3,446
Recreational vehicle tax	1,610	1,554	56
16/20M vehicle tax	4,454	4,628	(174)
In lieu of tax	668	-	668
Telecommunication and railroad machinery	7,285	-	7,285
Neighborhood revitalization	(2,794)	-	(2,794)
Insurance proceeds	131,632	125,000	6,632
Reimbursements	1,000	10,000	(9,000)
Total Cash Receipts	<u>975,542</u>	<u>\$ 981,559</u>	<u>\$ (6,017)</u>
Expenditures			
Social Security	178,432	\$ 215,000	\$ 36,568
KPERS	136,439	185,000	48,561
Workers' compensation	72,299	80,000	7,701
Health insurance	697,186	950,000	252,814
Unemployment tax	6,452	6,000	(452)
Total Expenditures	<u>1,090,808</u>	<u>\$ 1,436,000</u>	<u>\$ 345,192</u>
Receipts Over (Under) Expenditures	(115,266)		
Unencumbered Cash, Beginning	<u>497,857</u>		
Unencumbered Cash, Ending	<u>\$ 382,591</u>		

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

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDFIRE DISTRICT NO. 1 GENERAL FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 242,487	\$ 253,890	\$ (11,403)
Delinquent tax	2,407	-	2,407
Motor vehicle tax	8,707	9,292	(585)
Recreational vehicle tax	195	248	(53)
16/20M vehicle tax	1,553	465	1,088
Telecommunication and railroad machinery	1,810	-	1,810
Miscellaneous	3,381	-	3,381
Prior year purchase order cancelled	4,098	-	4,098
	<u>264,638</u>	<u>\$ 263,895</u>	<u>\$ 743</u>
Total Cash Receipts			
Expenditures			
Personal services	63,357	\$ 69,500	\$ 6,143
Employee benefits	5,144	-	(5,144)
Contractual services	35,125	76,280	41,155
Commodities	31,488	65,200	33,712
Capital outlay	76,326	50,500	(25,826)
Transfer to Fire District No. 1 Sp. Equip. Fund	50,000	-	(50,000)
	<u>261,440</u>	<u>\$ 261,480</u>	<u>\$ 40</u>
Total Expenditures			
Receipts Over (Under) Expenditures	3,198		
Unencumbered Cash, Beginning	<u>(187)</u>		
Unencumbered Cash, Ending	<u>\$ 3,011</u>		

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

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDNOXIOUS WEED FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		
	Actual	Budget	Variance- Favorable (Unfavorable)
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 176,838	\$ 182,830	\$ (5,992)
Delinquent tax	3,433	1,000	2,433
Motor vehicle tax	16,191	15,865	326
Recreational vehicle tax	315	307	8
16/20M vehicle tax	620	915	(295)
In lieu of tax	162	-	162
Telecommunication and railroad machinery	1,764	-	1,764
Neighborhood revitalization	(676)	-	(676)
Sale of chemical and reimbursements	114,465	80,000	34,465
Miscellaneous	339	8,000	(7,661)
Prior year purchase order cancelled	60	-	60
Total Cash Receipts	<u>313,511</u>	<u>\$ 288,917</u>	<u>\$ 24,594</u>
Expenditures			
Personal services	90,456	\$ 93,952	\$ 3,496
Contractual services	16,662	11,324	(5,338)
Commodities	162,453	163,825	1,372
Capital outlay	-	10,000	10,000
Transfer to Noxious Weed Capital Outlay	10,000	10,000	-
Total Expenditures	<u>279,571</u>	<u>\$ 289,101</u>	<u>\$ 9,530</u>
Receipts Over (Under) Expenditures	33,940		
Unencumbered Cash, Beginning	<u>8,154</u>		
Unencumbered Cash, Ending	<u>\$ 42,094</u>		

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

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDROAD AND BRIDGE FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<b>Variance- Favorable (Unfavorable)</b>
	<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts</b>			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 1,220,391	\$ 1,261,620	\$ (41,229)
Delinquent tax	19,369	15,000	4,369
Motor vehicle tax	65,646	64,768	878
Recreational vehicle tax	1,280	1,254	26
16/20M vehicle tax	2,198	3,733	(1,535)
Special highway fuel tax	431,916	460,000	(28,084)
In lieu of tax	1,393	-	1,393
Telecommunication and railroad machinery	12,172	-	12,172
Neighborhood revitalization	(4,668)	-	(4,668)
Fees	86,077	100,000	(13,923)
Miscellaneous	58,894	-	58,894
Transfer from General Fund	550,109	300,000	250,109
Prior year purchase order cancelled	242,177	-	242,177
	<u>2,686,954</u>	<u>\$ 2,206,375</u>	<u>\$ 480,579</u>
<b>Total Cash Receipts</b>			
<b>Expenditures</b>			
Personal services	573,450	\$ 599,851	\$ 26,401
Contractual services	191,966	435,100	243,134
Commodities	761,354	906,900	145,546
Capital outlay	15,384	53,037	37,653
Lease purchase payment-2007 Caterpillar Grader	29,638	-	(29,638)
Transfer to Road and Bridge Special Machinery Fund	300,000	25,000	(275,000)
Transfer to Bond & Interest Fund	227,928	152,000	(75,928)
	<u>2,099,720</u>	<u>\$ 2,171,888</u>	<u>\$ 72,168</u>
<b>Total Expenditures</b>			
Receipts Over (Under) Expenditures	587,234		
Unencumbered Cash, Beginning	<u>120,629</u>		
Unencumbered Cash, Ending	<u>\$ 707,863</u>		

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

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDCOUNTY HEALTH FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts</b>			
<b>Taxes and Shared Revenues -</b>			
Ad valorem property tax	\$ 74,739	\$ 77,272	\$ (2,533)
Delinquent tax	375	1,000	(625)
Motor vehicle tax	580	6,580	(6,000)
Recreational vehicle tax	14	127	(113)
16/20M vehicle tax	-	379	(379)
Telecommunication and railroad machinery	167	-	167
In lieu of tax	68	-	68
Neighborhood revitalization	(286)	-	(286)
WIC	11,924	21,696	(9,772)
Fees	70,826	59,000	11,826
Miscellaneous	66,755	44,858	21,897
Prior year purchase order cancelled	320	-	320
<b>Total Cash Receipts</b>	<u>225,482</u>	<u>\$ 210,912</u>	<u>\$ 14,570</u>
<b>Expenditures</b>			
Personal services	154,328	\$ 145,330	\$ (8,998)
Contractual services	39,194	52,110	12,916
Commodities	44,997	17,350	(27,647)
Capital outlay	694	3,000	2,306
<b>Total Expenditures</b>	<u>239,213</u>	<u>\$ 217,790</u>	<u>\$ (21,423)</u>
Receipts Over (Under) Expenditures	(13,731)		
Unencumbered Cash, Beginning	<u>24,062</u>		
Unencumbered Cash, Ending	<u>\$ 10,331</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDSENIOR CITIZENS FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 215,240	\$ 222,509	\$ (7,269)
Delinquent tax	1,079	-	1,079
Motor vehicle tax	1,631	18,636	(17,005)
Recreational vehicle tax	38	361	(323)
16/20M vehicle tax	-	1,074	(1,074)
Telecommunication and railroad machinery	480	-	480
In lieu of tax	197	-	197
Neighborhood revitalization	(823)	-	(823)
Miscellaneous	13,057	-	13,057
Total Cash Receipts	<u>230,899</u>	<u>\$ 242,580</u>	<u>\$ (11,681)</u>
Expenditures			
Appropriation	<u>231,379</u>	<u>\$ 233,680</u>	<u>\$ 2,301</u>
Receipts Over (Under) Expenditures	(480)		
Unencumbered Cash, Beginning	<u>480</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDHISTORICAL RECORDS FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 110,762	\$ 114,547	\$ (3,785)
Delinquent tax	555	-	555
Motor vehicle tax	941	9,318	(8,377)
Recreational vehicle tax	22	180	(158)
Telecommunication and railroad machinery	247	-	247
In lieu of tax	101	-	101
16/20M vehicle tax	-	537	(537)
Neighborhood revitalization	(424)	-	(424)
Miscellaneous	<u>6,472</u>	<u>-</u>	<u>6,472</u>
Total Cash Receipts	<u>118,676</u>	<u>\$ 124,582</u>	<u>\$ (5,906)</u>
Expenditures			
Appropriation	<u>118,676</u>	<u>\$ 120,000</u>	<u>\$ 1,324</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUND911 FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<b>Variance- Favorable (Unfavorable)</b>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
User fees - Landlines	\$ 37,902	\$ 45,000	\$ (7,098)
Interest on idle funds	1,424	-	1,424
	<u>39,326</u>	<u>\$ 45,000</u>	<u>\$ (5,674)</u>
Total Cash Receipts			
Expenditures			
Contractual services	7,393	\$ 23,500	\$ 16,107
Commodities	5,835	14,300	8,465
Capital outlay	-	7,783	7,783
Transfer to Equipment Reserve Fund	7,169	-	(7,169)
	<u>20,397</u>	<u>\$ 45,583</u>	<u>\$ 25,186</u>
Total Expenditures			
Receipts Over (Under) Expenditures	18,929		
Unencumbered Cash, Beginning	<u>49,141</u>		
Unencumbered Cash, Ending	<u>\$ 68,070</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUND911 WIRELESS FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts			
User fees - Wireless	\$ 18,850	\$ 18,000	\$ 850
State grant	112,456	-	112,456
Interest on idle funds	690	-	690
Total Cash Receipts	<u>131,996</u>	<u>\$ 18,000</u>	<u>\$ 113,996</u>
Expenditures			
Contractual services	15,098	\$ 9,000	\$ (6,098)
Commodities	-	5,000	5,000
Transfer to Equipment Reserve Fund	123,001	23,515	(99,486)
Total Expenditures	<u>138,099</u>	<u>\$ 37,515</u>	<u>\$ (100,584)</u>
Receipts Over (Under) Expenditures	(6,103)		
Unencumbered Cash, Beginning	<u>44,170</u>		
Unencumbered Cash, Ending	<u>\$ 38,067</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDEMS SPECIAL EQUIPMENT FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
Transfer from Emergency Medical Service Fund	\$ 35,000	\$ -	\$ 35,000
Expenditures			
Lease purchase payment - ambulance	25,429	\$ -	\$ (25,429)
Capital outlay	-	179,832	179,832
Total Expenditures	<u>25,429</u>	<u>\$ 179,832</u>	<u>\$ 154,403</u>
Receipts Over (Under) Expenditures	9,571		
Unencumbered Cash, Beginning	<u>173,936</u>		
Unencumbered Cash, Ending	<u>\$ 183,507</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDNOXIOUS WEED CAPITAL OUTLAY FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts			
Transfer from Noxious Weed Fund	\$ 10,000	\$ <u>10,000</u>	\$ <u>-</u>
Expenditures			
Capital outlay	<u>-</u>	\$ <u>45,828</u>	\$ <u>45,828</u>
Receipts Over (Under) Expenditures	10,000		
Unencumbered Cash, Beginning	<u>50,828</u>		
Unencumbered Cash, Ending	\$ <u>60,828</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDRISK MANAGEMENT RESERVE FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
Transfers from other funds	\$ -	\$ 100,000	\$ (100,000)
Interest	13,732	-	13,732
Reimbursements and other miscellaneous	54,521	-	54,521
Prior year purchase order cancelled	7,255	-	7,255
Total Cash Receipts	<u>75,508</u>	<u>\$ 100,000</u>	<u>\$ (24,492)</u>
Expenditures			
Contractual services - insurance	21,125	\$ 303,779	\$ 282,654
Contractual services - claims	67,319	-	(67,319)
Total Expenditures	<u>88,444</u>	<u>\$ 303,779</u>	<u>\$ 215,335</u>
Receipts Over (Under) Expenditures	(12,936)		
Unencumbered Cash, Beginning	<u>507,898</u>		
Unencumbered Cash, Ending	<u>\$ 494,962</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDCAPITAL IMPROVEMENT FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts			
Transfer from General Fund	\$ 300,000	\$ 200,000	\$ 100,000
Federal grants	982,391	-	982,391
Prior year purchase order cancelled	1,333	-	1,333
	<u>1,283,724</u>	<u>\$ 200,000</u>	<u>\$ 1,083,724</u>
Total Cash Receipts			
Expenditures			
Contractual services	518	\$ -	\$ (518)
Federal grant expenditures	1,316,680	-	(1,316,680)
Capital outlay - improvements/non-building	38,272	-	(38,272)
Capital outlay - other	19,000	200,000	181,000
	<u>1,374,470</u>	<u>\$ 200,000</u>	<u>\$ (1,174,470)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	(90,746)		
Unencumbered Cash, Beginning	<u>597,039</u>		
Unencumbered Cash, Ending	<u>\$ 506,293</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDEQUIPMENT RESERVE FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		
	Actual	Budget	Variance- Favorable (Unfavorable)
Cash Receipts			
Transfer from 911 Wireless Fund	\$ 123,001	\$ 260,179	\$ (137,178)
Transfer from General Fund	31,779	-	31,779
Transfer from 911 Fund	7,169	-	7,169
Transfer from Register of Deeds Technology Fund	10,000	-	10,000
Transfer from Treasurer's Motor Vehicle Fund	6,000	-	6,000
Prior year purchase order cancelled	1,602	-	1,602
Total Cash Receipts	<u>179,551</u>	<u>\$ 260,179</u>	<u>\$ (80,628)</u>
Expenditures			
Commodities	-	\$ 136,379	\$ 136,379
Contractual services	49,295	120,000	70,705
Capital outlay	42,282	234,388	192,106
Total Expenditures	<u>91,577</u>	<u>\$ 490,767</u>	<u>\$ 399,190</u>
Receipts Over (Under) Expenditures	87,974		
Unencumbered Cash, Beginning	<u>346,988</u>		
Unencumbered Cash, Ending	<u>\$ 434,962</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDTRANSIENT GUEST TAX FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		<u>Variance- Favorable (Unfavorable)</u>
	<u>Actual</u>	<u>Budget</u>	
Cash Receipts			
Transient guest tax	\$ 17,178	\$ 10,000	\$ 7,178
Expenditures			
Tourism promotion and other contractual	11,434	\$ 5,000	\$ (6,434)
Commodities	-	3,000	3,000
Miscellaneous	286	2,000	1,714
Total Expenditures	<u>11,720</u>	<u>\$ 10,000</u>	<u>\$ (1,720)</u>
Receipts Over (Under) Expenditures	5,458		
Unencumbered Cash, Beginning	<u>5,711</u>		
Unencumbered Cash, Ending	<u>\$ 11,169</u>		

## RICE COUNTY, KANSAS

SPECIAL REVENUE FUNDSPECIAL ALCOHOL PROGRAMS FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	<u>2009</u>		
	<u>Actual</u>	<u>Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts			
Private club liquor tax	\$ 3,223	<u>\$ 2,177</u>	<u>\$ 1,046</u>
Expenditures			
Appropriations to others	<u>4,456</u>	<u>\$ 8,377</u>	<u>\$ 3,921</u>
Receipts Over (Under) Expenditures	(1,233)		
Unencumbered Cash, Beginning	<u>6,199</u>		
Unencumbered Cash, Ending	<u>\$ 4,966</u>		

RICE COUNTY, KANSAS

SPECIAL REVENUE FUND

NONBUDGETED SPECIAL REVENUE FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

For the Year Ended December 31, 2009

	<u>Asset Forfeiture Fund</u> 2009	<u>EMS Reserve Fund</u> 2009	<u>Fire District No. 1</u> <u>Sp. Equip. Fund</u> 2009
Cash Receipts			
Transfer from Fire District No. 1 General Fund	\$ -	\$ -	\$ 50,000
Reimbursements and other miscellaneous	-	8,276	-
Total Cash Receipts	-	8,276	50,000
Expenditures			
Contractual services	-	4,605	-
Commodities	-	13,282	-
Total Expenditures	-	17,887	-
Receipts Over (Under) Expenditures	-	(9,611)	50,000
Unencumbered Cash, Beginning	6,843	19,870	98,015
Unencumbered Cash, Ending	<u>\$ 6,843</u>	<u>\$ 10,259</u>	<u>\$ 148,015</u>

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

RICE COUNTY, KANSAS

SPECIAL REVENUE FUND

NONBUDGETED SPECIAL REVENUE FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

For the Year Ended December 31, 2009

	<u>Prosecutor Training Assistance Fund 2009</u>	<u>Register of Deeds Technology Fund 2009</u>	<u>Road and Bridge Sp. Machinery Fund 2009</u>
Cash Receipts			
Transfer from Road and Bridge Fund	-	-	\$ 300,000
Fees	1,057	17,386	-
Interest	-	200	-
Total Cash Receipts	<u>1,057</u>	<u>17,586</u>	<u>300,000</u>
Expenditures			
Capital outlay	-	-	157,911
Payments to State KPTAI	460	-	-
Transfer to Equipment Reserve Fund	-	10,000	-
Total Expenditures	<u>460</u>	<u>10,000</u>	<u>157,911</u>
Receipts Over (Under) Expenditures	597	7,586	142,089
Unencumbered Cash, Beginning	<u>6,817</u>	<u>23,981</u>	<u>200,513</u>
Unencumbered Cash, Ending	<u>\$ 7,414</u>	<u>\$ 31,567</u>	<u>\$ 342,602</u>

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

RICE COUNTY, KANSAS

SPECIAL REVENUE FUND

NONBUDGETED SPECIAL REVENUE FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

For the Year Ended December 31, 2009

	<u>Solid Waste Recycling Fund 2009</u>	<u>Special Prosecutor Trust Fund 2009</u>	<u>Parks and Recreation Fund 2009</u>
Cash Receipts			
Local alcoholic liquor tax	-	-	586
Reimbursements and other miscellaneous	7,513	-	-
Total Cash Receipts	<u>7,513</u>	<u>-</u>	<u>586</u>
Expenditures			
Receipts Over (Under) Expenditures	7,513	-	586
Unencumbered Cash, Beginning	<u>45,304</u>	<u>2,390</u>	<u>1,045</u>
Unencumbered Cash, Ending	<u>\$ 52,817</u>	<u>\$ 2,390</u>	<u>\$ 1,631</u>

RICE COUNTY, KANSAS

SPECIAL REVENUE FUND

NONBUDGETED SPECIAL REVENUE FUNDS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL

For the Year Ended December 31, 2009

Treasurer's Motor Vehicle Fund  
2009

Cash Receipts		
Motor vehicle fees	\$	84,295
Sales and compensating use tax fees		659
Lienholder fees		1,523
Drivers' license fees		17,148
Antique fees and other reimbursements		4,339
Total Cash Receipts		<u>107,964</u>
Expenditures		
Payroll and benefits		43,785
Contractual services		4,319
Commodities		2,812
Capital outlay		4,886
Drivers' license to State		17,228
Refunds		368
Transfer to Equipment Reserve Fund		6,000
Transfer to General Fund		33,650
Total Expenditures		<u>113,048</u>
Receipts Over (Under) Expenditures		(5,084)
Unencumbered Cash, Beginning		<u>32,600</u>
Unencumbered Cash, Ending	\$	<u>27,516</u>

## RICE COUNTY, KANSAS

DEBT SERVICE FUNDBOND AND INTEREST FUNDSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		
	Actual	Budget	Variance- Favorable (Unfavorable)
Cash Receipts			
Taxes and Shared Revenues -			
Ad valorem property tax	\$ 5	\$ -	\$ 5
Delinquent tax	3,122	1,681	1,441
Motor vehicle tax	25,208	25,508	(300)
Recreational vehicle tax	498	494	4
16/20M vehicle tax	389	1,470	(1,081)
Transfer from Road and Bridge Fund	227,928	152,000	75,928
Total Cash Receipts	257,150	\$ 181,153	\$ 75,997
Expenditures			
Principal	225,000	\$ 225,000	\$ -
Interest	2,925	2,925	-
Commission and postage	3	25	22
Total Expenditures	227,928	\$ 227,950	\$ 22
Receipts Over (Under) Expenditures	29,222		
Unencumbered Cash, Beginning	48,113		
Unencumbered Cash, Ending	\$ 77,335		

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

## RICE COUNTY, KANSAS

ENTERPRISE FUNDRICE COUNTY DETENTION CENTERSTATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2009

	2009		Variance- Favorable (Unfavorable)
	Actual	Budget	
Cash Receipts			
Prisoner care	\$ 760,908	\$ 522,347	\$ 238,561
Inmate services revenue	13,990	-	13,990
Building rental	341,755	200,000	141,755
Booking fees	7,432	30,000	(22,568)
Insurance proceeds	25,740	-	25,740
Miscellaneous	12,467	-	12,467
Prior year purchase order cancelled	2,603	-	2,603
Transfer from General Fund	-	200,000	(200,000)
Total Cash Receipts	<u>1,164,895</u>	<u>\$ 952,347</u>	<u>\$ 212,548</u>
Expenditures			
Personal services	443,099	\$ 575,123	\$ 132,024
Social security	31,542	-	(31,542)
KPERS	24,822	-	(24,822)
Health	142,499	-	(142,499)
Unemployment	1,207	-	(1,207)
Contractual services	195,608	97,000	(98,608)
Commodities	60,733	155,250	94,517
Capital outlay	669	408,098	407,429
Insurance	11,562	-	(11,562)
Food supplies	117,148	-	(117,148)
Debt service payments - building	398,909	-	(398,909)
Total Expenditures	<u>1,427,798</u>	<u>\$ 1,235,471</u>	<u>\$ (192,327)</u>
Receipts Over (Under) Expenditures	(262,903)		
Unencumbered Cash, Beginning	<u>253,580</u>		
Unencumbered Cash, Ending	<u>\$ (9,323)</u>		

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

## RICE COUNTY, KANSAS

**AGENCY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**  
For the Year Ended December 31, 2009

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
<b>Distributable Funds</b>				
Ad valorem taxes -				
Current Tax	\$ 9,223,369	\$ 14,845,580	\$ 14,644,990	\$ 9,423,959
Delinquent Personal Property Tax	647	69,659	61,209	9,097
Redemptions	53,576	273,087	260,984	65,679
Telecommunication & railroad machinery	-	101,521	101,521	-
Mineral production tax	-	49,521	49,521	-
Local retailer's sales tax	-	550,109	550,109	-
Motor vehicle tax	82,935	1,234,841	1,257,357	60,419
Partial tax	26,547	31,041	30,308	27,280
In lieu of tax	-	17,407	17,407	-
Neighborhood revitalization	5,938	64,725	60,924	9,739
Tax foreclosure	-	12,026	12,026	-
State motor fuel tax	-	481,453	481,453	-
<b>Total Distributable Funds</b>	<u>9,393,012</u>	<u>17,730,970</u>	<u>17,527,809</u>	<u>9,596,173</u>
<b>State Funds</b>				
Educational Building	1,924	125,380	125,355	1,949
Institutional Building	962	62,690	62,677	975
General Fund	-	24	24	-
Motor vehicle licenses	69	678,535	678,530	74
Occasional sales tax	25,513	270,351	277,950	17,914
Wildlife and Park	622	15,483	15,349	756
<b>Total State Funds</b>	<u>29,090</u>	<u>1,152,463</u>	<u>1,159,885</u>	<u>21,668</u>
<b>Subdivision Funds</b>				
Cities	-	1,690,409	1,690,409	-
Townships	-	1,577,946	1,579,072	(1,126)
Schools	-	5,999,063	5,994,943	4,120
Drainage Districts	-	4,723	4,723	-
Cemeteries Districts	-	27,799	27,540	259
Big Bend Ground Water Mgmt. Dist. No. 5	-	33,546	33,546	-
Watershed No. 95	-	162,534	162,398	136
Hospital Districts	-	995,883	995,883	-
SCKLS	-	87,328	87,328	-
<b>Total Subdivision Funds</b>	<u>-</u>	<u>10,579,231</u>	<u>10,575,842</u>	<u>3,389</u>
<b>Other Agency Funds</b>				
Road Crossing Fee Trust	91,840	11,600	80,645	22,795
PFS Employee Benefits Trust	277,914	744,487	664,682	357,719
Employee FSA Trust	102,889	14,942	11,636	106,195
Fireman's Relief Fund	24,207	5,991	5,664	24,534
Micro Loan CDBG SCKEDD	34,417	8,691	534	42,574
Sterling - Alden - E-Communities	145	57,549	57,257	437
Revolving Loan	21,800	49,467	18,000	53,267
Rice County PBC Reserve Fund	200,000	-	-	200,000
Treasurer's Clearing Long/Short	(39)	3,451,461	3,451,461	(39)
Insufficient Fund Check	(1,327)	8,439	8,548	(1,436)
Law Enforcement Center Bond	162	-	-	162
Clerk of District Court	14,232	328,199	334,449	7,982
Law Library	12,066	8,246	11,823	8,489
Inmate Trust and Commissary	21,701	130,303	133,988	18,016
<b>Total Other Agency Funds</b>	<u>800,007</u>	<u>4,819,375</u>	<u>4,778,687</u>	<u>840,695</u>
<b>Grand Total Agency Funds</b>	<u>\$ 10,222,109</u>	<u>\$ 34,282,039</u>	<u>\$ 34,042,223</u>	<u>\$ 10,461,925</u>

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

**RICE COUNTY, KANSAS**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***(a) Reporting Entity***

The County of Rice, Lyons, Kansas is a municipal corporation governed by an elected three-member commission. These financial statements present the County of Rice, Lyons, Kansas (the primary government) and do not include component units. Component units of Rice County are as follows:

Extension Council. Rice County Extension Council provides services in such areas as agriculture, home economics, and 4-H club, to all persons in the County. The council is an elected nine-member executive board. The County annually provides significant operating subsidies to the council. The Rice County Extension Council's audited financial statements are available at their offices.

Public Building Commission. Rice County Building Commission was created by County resolution to finance the acquisition, construction, and improvement of certain public buildings to be used for County related offices. The Public Building Commission has a three member board that is appointed by the Rice County Commission.

***(b) Basis of Presentation - Fund Accounting***

The accounts of the County are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for separately. Funds are classified into three categories: governmental, fiduciary and proprietary. Within each of these three categories there are one or more fund types. The County uses the following fund types:

**Governmental Fund Types**

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

**General Fund** - This fund is established to account for resources devoted to financing the general services that the County performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the County are included in this fund. This fund is charged with all costs of operating the government for which a separate fund has not been established.

**Special Revenue Funds** - These funds are established to account for the proceeds of specific revenue sources other than special assessments, private purpose trusts or major capital projects that are legally restricted to expenditures for specified purposes.

**Debt Service Funds** - These funds are established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than those payable from Enterprise Funds and Special Assessment Funds.

**Proprietary Fund Type**

These funds account for operations that are self-supporting through user charges. The funds included in this category are Enterprise Funds.

**Enterprise Funds** - These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

# 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

## ***(b) Basis of Presentation - Fund Accounting (cont.)***

### **Fiduciary Fund Types**

These funds account for assets held by the County as a trustee or agent for individuals, private organizations and other units of governments. These funds are as follows:

Agency Funds - These funds are used to account for assets received for, held for, and disbursed to individuals, other State and Local Government unit funds or other governmental or private sector organizations.

## ***(c) Statutory Basis of Accounting***

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

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

## ***(d) Departure from Accounting Principles Generally Accepted in the United States of America***

The basis of accounting described above results in a financial statement presentation, which shows cash receipts, expenditures, cash and unencumbered cash balances and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the County are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

These financial statements present the primary government of Rice County and do not include component units, which is a departure from generally accepted accounting principles.

## ***(e) Budgetary Information***

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute) and Debt Service Funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

### *(e) Budgetary Information (cont.)*

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one budget amendment for the year 2009.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's disbursements accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment such as a purchase order or contract. Any unused budget expenditure authority lapse at year end.

A legal operating budget is not required for the following Special Revenue Funds: Asset Forfeiture Fund, EMS Reserve Fund, Fire District No. 1 Special Equipment Fund, Prosecutor Training Assistance Fund, Register of Deeds Technology Fund, Road and Bridge Special Machinery Fund, Solid Waste Recycling Fund, Special Prosecutor Trust Fund, Parks and Recreation Fund, and Treasurer's Motor Vehicle Fund.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

## 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

### *Compliance with Kansas Statutes*

The annual state ad valorem tax accounting was not filed by the County Clerk with the state Director of Accounts and Reports as required in K.S.A. 79-2203.

K.S.A. 19-228; 19-609 requires publication of financial summaries. The first quarter 2009 financial summary was not published as required by the statute.

K.S.A. 19-2687 requires the Board to approve an inventory list by February 28 of each year. Board of County Commissioners approved the list; however, it was not dated and was not listed as approved in the minutes.

According to K.S.A. 79-2935, expenditures are to be controlled so that no indebtedness is created in excess of budgeted limits. At December 31, 2009, the County Health Fund, 911 Wireless Fund, Transient Guest Tax Fund, and Rice County Detention Center Fund exceeded budget by \$21,423, \$100,584, \$1,720, and \$192,327, respectively.

K.S.A. 10-1113 requires no indebtedness be created for a fund in excess of available monies in that fund. At December 31, 2009, the Rice County Detention Center Fund Ending Unencumbered Cash Balance was a negative \$9,323 in violation of cash basis law.

According to K.S.A. 9-1402, the County must obtain pledged securities with enough market value to cover the balance of deposits at each banking institution. At December 31, 2009, deposits were under secured by \$21,703.

### 3. DEPOSITS AND INVESTMENTS

As of December 31, 2009, the County had the following investments:

Investment Type	Fair Value	Investments Maturities (in Years)		Rating
		Less than 1	1-2	
Kansas Municipal Investment Pool	\$ 5,900,000	\$ 5,900,000	\$ -	S&P AAAF/SLT
Financial Square Trust - Treasury Obligation Fund Preferred 489	162	162	-	S&P AAAM
Federated - Govt. Obligations Fund #395	100,000	100,000	-	S&P AAAM
MM Investment Account-Govt Obligations Fund	100,000	100,000	-	S&P AAAM
	<u>\$ 6,100,162</u>	<u>\$ 6,100,162</u>	<u>\$ -</u>	

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

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

*Concentration of credit risk.* State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The County's allocation of investments as of December 31, 2009, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	96%
Financial Square Trust - Treasury Obligation Fund Preferred 489	0%
Federated - Govt. Obligations Fund #395	2%
MM Investment Account-Govt Obligations Fund	2%
Total Percentage	<u>100%</u>

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. Some deposits were not legally secured at December 31, 2009. One bank was under secured by \$21,703 at December 31, 2009.

At December 31, 2009, the County's carrying amount of deposits was \$8,892,095 and the bank balance was \$9,217,800. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$1,250,000 was covered by federal depository insurance, \$7,946,097 was collateralized with securities held by the pledging financial institutions' agents in the County's name, with the remaining \$21,703 unsecured.

### 3. DEPOSITS AND INVESTMENTS (CONT.)

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

At December 31, 2009, the County had invested \$5,900,000 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

*Restricted investments* – Investments in the Financial Square Trust – Treasury obligation Fund Preferred 489, are held by Commerce Trust Company in escrow according to an agreement for certificates of participation debt issued by Rice County. The use of this investment is restricted by that agreement. Investments in the Federated – Government Obligations Fund and Money Market Investment Account – Government Obligations Fund are held by Security Bank of Kansas City Corporation Trust Services in escrow according to an agreement for revenue bonds issued by the Rice County Public Building Commission. The use of these investments is restricted by that agreement.

### 4. LONG-TERM DEBT

Changes in long-term liabilities for the County for the year ended December 31, 2009, were as follows:

Issue	Interest Rates	Date of Issues	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
<b>General Obligation Bonds:</b>										
Refunding Bonds	1.0% to 2.60%	07-01-03	\$1,565,000	02-01-09	\$ 225,000	\$ -	\$ 225,000	\$(225,000)	\$ -	\$ 2,925
<b>Capital Leases</b>										
Law Enforcement Detention Center	3 to 4%	05-15-08	3,460,000	12-01-18	3,325,000	-	280,000	(280,000)	3,045,000	118,909
2007 Ford E450 Amulance	4.73%	05-07-07	116,934	05-07-11	70,075	-	22,367	(22,367)	47,708	3,062
2007 Caterpillar 12H Motor Grader	3.85%	07-25.08	132,500	02-25-13	132,500	-	24,537	(24,537)	107,963	5,101
<b>Total Capital Leases</b>					<b>3,527,575</b>	<b>-</b>	<b>326,904</b>	<b>(326,904)</b>	<b>3,200,671</b>	<b>127,072</b>
<b>Total Contractual Indebtedness</b>					<b>3,752,575</b>	<b>-</b>	<b>551,904</b>	<b>(551,904)</b>	<b>3,200,671</b>	<b>129,997</b>
Compensated Absences	N/A	N/A	N/A	N/A	225,660	163,931	-	163,931	389,591	-
Incurred But Not Reported Claims	N/A	N/A	N/A	N/A	86,888	-	59,672	(59,672)	27,216	-
<b>Total Long-Term Debt</b>					<b>\$ 4,065,123</b>	<b>\$ 163,931</b>	<b>\$ 611,576</b>	<b>\$(447,645)</b>	<b>\$ 3,617,478</b>	<b>\$ 129,997</b>

#### 4. LONG-TERM DEBT (CONT.)

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

	Year						Total
	2010	2011	2012	2013	2014	2015 to 2018	
<b>PRINCIPAL:</b>							
<b>Capital Leases:</b>							
Law Enforcement Detention Center	\$ 290,000	\$ 300,000	\$ 310,000	\$ 320,000	\$ 330,000	\$ 1,495,000	\$ 3,045,000
2007 Ford E450 Ambulance	23,344	24,364	-	-	-	-	47,708
2007 Caterpillar 12H Motor Grader	25,481	26,462	27,481	28,539	-	-	107,963
<b>Total Capital Leases</b>	<b>338,825</b>	<b>350,826</b>	<b>337,481</b>	<b>348,539</b>	<b>330,000</b>	<b>1,495,000</b>	<b>3,200,671</b>
<b>INTEREST:</b>							
<b>Capital Leases:</b>							
Law Enforcement Detention Center	114,348	104,488	93,988	82,827	71,147	153,337	620,135
2007 Ford E450 Ambulance	2,085	1,066	-	-	-	-	3,151
2007 Caterpillar 12H Motor Grader	4,157	3,176	2,157	1,101	-	-	10,591
<b>Total Capital Leases</b>	<b>120,590</b>	<b>108,730</b>	<b>96,145</b>	<b>83,928</b>	<b>71,147</b>	<b>153,337</b>	<b>633,877</b>
<b>TOTAL PRINCIPAL AND INTEREST</b>	<b>\$ 459,415</b>	<b>\$ 459,556</b>	<b>\$ 433,626</b>	<b>\$ 432,467</b>	<b>\$ 401,147</b>	<b>\$ 1,648,337</b>	<b>\$ 3,834,548</b>

#### 5. PENSION COSTS AND EMPLOYEE BENEFITS

##### (a) Defined Benefit Pension Plan

**Plan Description.** The County contributes to the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

**Funding Policy.** K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% 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 rate be determined annually based on the results of an annual actuarial valuation. KPERs is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERs employers. The employer rate established for calendar year 2009 is 6.54%. (Included in this rate is the contribution for Group Death and Disability Insurance of 1.0% from March 1, 2009 through November 30, 2009). The County employer contributions to KPERs for the year ending December 31, 2009, 2008 and 2007 was \$180,919, \$153,786, and \$128,898, respectively, equal to the required contributions for each year.

##### (b) Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all employees who qualify under the plan terms and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

## 5. PENSION COSTS AND EMPLOYEE BENEFITS (CONT.)

### **(c) Other Employee Benefits**

Vacation - Vacation leave shall be accrued from the employee's date of employment. No vacation leave shall be taken until a new employee has completed one year of service.

Each full-time employee will accrue vacation leave as follows:

<u>Years of Service</u>	<u>Per Year</u>
After 1 Year	40 hours
After 2 to 9 years	80 hours
After 10 Years	120 hours

Part-time employees earn vacation leave pro-rated to hours worked the previous twelve months.

Vacation time may be accrued up to a maximum of 40 hours. Exceptions to carry over more than 40 hours of vacation time must be requested from the Department Head and approved by the County Commissioners. An employee shall be paid for all accumulated unused vacation leave upon termination after one year of employment.

Earned leave – Earned leave is to be used during times of illness or other emergencies requiring an employee to be off work and provides employees with 156 hours of earned leave (or a pro-rated amount for part-time employees) annually. Earned leave is awarded at the rate of six hours per pay period and pro-rated to hours worked for part-time employees. Employees are allowed to continue to accrue earned leave to a maximum of 936 hours. At the end of the calendar year, an employee will have any leave in excess of 780 hours bought back at the rate of 50% of the employee's current hourly wage.

Upon termination of employment, employees with 156 hours or more of accrued earned leave will be reimbursed for the accrued earned leave at a rate of 50% of their hourly rate.

### **(d) Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

## 6. CLAIMS AND JUDGMENTS

The County participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of September 7, 2010, grant expenditures have not been audited, but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

The County is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The County has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2008 to 2009 and there were no settlements that exceeded insurance coverage in the past three years.

## 6. CLAIMS AND JUDGMENTS (CONT.)

During the ordinary course of its operations, the County is a party to various claims, legal actions and complaints. It is the opinion of the County's management and legal counsel that these matters are not anticipated to have a material impact on the County.

## 7. RISK MANAGEMENT

Medical benefits are provided to employees and eligible dependents through a self-insured plan. The plan is funded with contributions from participants and from the County, as the employer. Medical claims are processed and paid by a third-party administrator. An excess insurance contract, executed with an insurance carrier, covers claims in excess of \$30,000. The basis for estimating unpaid claims at December 31, 2009 is from Incurred But Not Reported claims information provided from the third-party administrator.

## 8. INTERFUND TRANSFERS

A summary of operating transfers by fund are as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Capital Improvement Fund	K.S.A. 19-120	\$ 300,000
General Fund	Equipment Reserve Fund	K.S.A. 19-119	31,779
General Fund	Road and Bridge Fund	K.S.A. 19-196	550,109
Emergency Medical Service Fund	EMS Special Equipment Fund	K.S.A. 12-110d	35,000
Fire Dist. No. 1 General Fund	Fire Dist. No. 1 Special Equip. Fund	K.S.A. 16-3610	50,000
Noxious Weed Fund	Noxious Weed Capital Outlay Fund	K.S.A. 2-1318	10,000
Road and Bridge Fund	Road and Bridge Special Machinery Fund	K.S.A. 68-141g	300,000
Road and Bridge Fund	Bond and Interest Fund	Debt Service	227,928
911 Fund	Equipment Reserve Fund	K.S.A. 19-119	7,169
911 Wireless Fund	Equipment Reserve Fund	K.S.A. 19-119	123,001
Register of Deeds Tech. Fund	Equipment Reserve Fund	K.S.A. 19-119	10,000
Treasurer's Motor Vehicle Fund	Equipment Reserve Fund	K.S.A. 19-119	6,000
Treasurer's Motor Vehicle Fund	General Fund	K.S.A. 8-145	33,650
			<u>\$1,684,636</u>

**RICE COUNTY, KANSAS**

**OTHER SUPPLEMENTAL INFORMATION**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

RICE COUNTY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2009

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u> Rural Development Grants	10.783		\$ 10,800
<u>U.S. Department of Commerce</u> Investment for Public Works and Economic Development Facilities	11.300		<u>655,200</u>
<u>U.S. Department of Housing and Urban Development</u> Pass-through program from Kansas Department of Commerce Community Development Block Grants	14.228		661,480
Pass-through program from Kansas Housing Resource Corporation Home Investment Partnerships Program	14.239		<u>107,954</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>769,434</u>
<u>U.S. Department of Transportation</u> Pass-through program from Kansas Department of Transportation State and Community Highway Safety	20.600		<u>408</u>
<u>U.S. Department of Health and Human Services</u> Pass-through program from Kansas Department of Health and Environment Bioterrorism Grants	93.069		25,035
Family Planning	93.217		2,893
Immunization Grants	93.268		996
Centers for Disease Control and Prevention - Child Care and Development Block Grant	93.575		3,082
Maternal and Child Health Services Block Grant	93.994		<u>7,685</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>39,691</u>
<u>U.S. Department of Homeland Security</u> Pass-through program from Kansas Department of Emergency Management Disaster Grants - Public Assistance	97.036		82,001
Hazard Mitigation Grant (HMGP)	97.039		17,943
Emergency Management Performance Grant	97.042		<u>17,248</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>117,192</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,592,725</u>

**RICE COUNTY, KANSAS**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2009**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Rice County, Kansas and is presented using the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, the same as the financial statements accompanying this schedule. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**RICE COUNTY, KANSAS**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended December 31, 2009**

**FINDINGS – FINANCIAL STATEMENT AUDIT**

NONE

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

NONE

**RICE COUNTY, KANSAS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2009**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Rice County, Kansas.
2. Two significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Rice County, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiency relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award program for Rice County, Kansas expresses an unqualified opinion on the major federal program.
6. Audit findings relative to the major Federal award programs for Rice County, Kansas that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in Part C of this schedule.
7. The programs tested as a major program included: U.S. Department of Housing and Urban Development, Community Development Block Grants, Federal CFDA Number 14.228 and U.S. Department of Commerce, Public Works and Economic Development Facilities, CFDA Number 11.300.
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Rice County, Kansas did not qualify as a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

**SIGNIFICANT DEFICIENCIES**

**Number 09-01: Segregation of Duties**

Condition:                   Appropriate segregation of duties is achieved when one or more employees or functions acts as a check and balance on the activities of another so that no employee should be in a position to both commit an irregularity and conceal it. Due to resource constraints, these conflicting phases of transactions potentially occur throughout your entity at various times throughout the fiscal year. We considered this lack of segregation of duties to be a significant deficiency under standards established by the American Institute of Certified Public Accountants.

See accompanying Independent Auditor's Report.

RICE COUNTY, KANSAS

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2009**

Criteria: No single individual should be able to:

- a) *authorize or execute* a transaction;
- b) *record* the transaction in the books of account; and
- c) ensure custody of the asset resulting from the transaction, including the receipt/custody of cash.

For example, if one person executes a sale/transaction, that person should not record the transaction, handle the cash receipt, have authority for or access to cash receipts records, and reconcile the bank account.

Effect: Lack of segregation of duties aids in the possibility that errors and irregularities whether caused by fraud or human error will not be detected.

Cause: Due to the limited staff in the various County offices, segregation of duties has not been possible as required in an ideal internal control structure. At this time, we feel it would be cost prohibitive to increase staff in the various County offices sufficiently to rectify this situation. Current office staff and the County Commission should however, continually review the opportunity to implement segregation of duties that will enhance the internal control structure at a minimal cost to the County.

Recommendation: We recommend that management and the governing body continually review their daily transactions for potential conflicting phases of a transaction as noted above. Below we have detailed actions that management and the governing body should take to compensate for these conflicting phases that have been identified in your daily transaction process:

- ***Review reports of detail transactions*** – Management and the governing body should review ***detailed*** transactions on a regular and timely basis through appropriate computer reports of the detailed transactions.
- ***Review selected transactions*** – Management and the governing body should select random transactions for review of supporting documents. These selected transactions should be followed through the entire transaction process from start to finish to ensure that all documented internal controls are working appropriately and are not being overridden by any individual within the entity.
- ***Take periodic asset counts*** – Management and the governing body should periodically conduct counts of physical inventory, equipment, daily cash drawer receipts or other assets and compare these counts with the appropriate accounting records.

See accompanying Independent Auditor's Report.

RICE COUNTY, KANSAS

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended December 31, 2009

- **Check reconciliations** – Management and the governing body should review reconciliations of account balances such as cash, billing receivables or other liquid assets on a regular basis. The governing body should perform surprise procedures on these reconciliations independently of management at certain times throughout the fiscal year. These surprise procedures should be documented appropriately by the governing body member, including signature and date conducted.

Management  
Response:

I concur with the auditor's findings, however, with limited staff, it is not always possible to segregate duties relating to disbursements, receipts and bank statement reconciliation and the recording of the same. I believe that the current reviews by supervisory staff minimizes the potential for fraud, however, we will make every effort to separate duties for better controls.

**Number 09-02: Financial Statement Reporting and Other Supplemental Information**

Condition: Our firm has been asked to prepare the financial statements and other supplemental information for the County; however, our firm cannot be considered part of the internal control structure of the County in regard to the preparation of the financial statements and other supplemental information.

Criteria: The County prepares its financial statements and other supplemental information in accordance with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, in accordance with the reporting and formatting requirements displayed in the *Kansas Municipal Audit Guide* (KMAG).

Effect: We consider this condition related to external financial statement and other supplemental information preparation to be a significant deficiency under the standards established by the American Institute of Certified Public Accountants.

Cause: County personnel does have the skill and knowledge to process all the basic financial transactions and the ability to issue the internal financial statements needed to provide appropriate budget and operating information to the County governing body on an as needed basis. However, the County either has no documented policy or procedures related to the preparation of the external financial statements and other supplemental information and/or the policies and procedures are not implemented and adequately followed to ensure the accuracy and completeness of the external financial statements and other supplemental information.

Recommendation: To strengthen internal control over financial statement and other supplemental information preparation, we recommend:

- Obtain a current copy of the Kansas Municipal Audit Guide (KMAG),

See accompanying Independent Auditor's Report.

**RICE COUNTY, KANSAS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2009**

- Obtain a report check list for KMAG financial statements,
- Participate in a training session on financial statement and other supplemental information preparation and review, and
- Adopt a policy that annual financial statements and other supplemental information will be reviewed prior to being subjected to audit.

Management  
Response:

I concur with the auditor's findings that the financial information supplied is not presented in the form expressed in the KMAG. However, I do believe that the information provided in current form accurately expresses the financial and budgetary condition of the County. Additional training may be required to fulfill the requirement setforth.

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS  
AUDIT**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Community Development Block Grants – CFDA Number 14.228

NONE

U.S. DEPARTMENT OF COMMERCE

Public Works and Economic Development Facilities – CFDA Number 11.300

NONE