

HARPER COUNTY, KANSAS

Financial Statements With Independent Auditors' Report

For the Year Ended December 31, 2010

HARPER COUNTY, KANSAS
 Financial Statements With Independent Auditors' Report
 For the Year Ended December 31, 2010

TABLE OF CONTENTS

Independent Auditors' Report	1
Statement 1 – Summary of Cash Receipts, Expenditures and Unencumbered Cash	3
Statement 2 – Summary of Expenditures - Actual and Budget	5
Statement 3 – Statement of Cash Receipts and Expenditures - Actual and Budget Individually Presented by Fund	
Governmental Fund Categories	
General Fund	
3-1 General Fund	6
Special Revenue Funds	
3-2 Appraiser's Cost Fund	12
3-3 Department on Aging Fund	13
3-4 Employee Benefits Fund	14
3-5 Health Fund	15
3-6 911 Emergency Tax Fund	16
3-7 Noxious Weed Fund	17
3-8 Road and Bridge Fund	18
3-9 Special Alcohol Fund	19
3-10 Special Bridge Fund	20
3-11 Special Liability Fund	21
3-12 911 Wireless Tax Fund	22
3-13 Capital Equipment Reserve Fund	23
3-14 Capital Improvement Reserve Fund	24
3-15 County Attorney Equipment Fund	25
3-16 County Attorney Special Equipment Fund	26
3-17 Sheriff Equipment Fund	27
3-18 Special Highway Improvement Fund	28
3-19 Special Machinery Fund	29
3-20 Register of Deeds Technology Fund	30
3-21 Plumb Thicket Monitoring Fund	31
3-22 Courthouse Preservation Fund	32
3-23 Microloan Fund	33
3-24 SCLEPG Fund	34
3-25 CDBG Fund	35
3-26 SCK District Association Fund	36
Fiduciary Fund Category	
Private Purpose Trust Funds	
3-27 Prosecutor Training Assistance Fund	37
3-28 Law Enforcement Grant Fund	38
3-29 Special Motor Vehicle License Fund	39
3-30 Ambulance Memorial Fund	40
3-31 EMS Education Grant Fund	41

HARPER COUNTY, KANSAS
Financial Statements With Independent Auditors' Report
For the Year Ended December 31, 2010

TABLE OF CONTENTS (continued)

Component Unit	
3-32 Extension Council	42
Statement 4 - Summary of Cash Receipts and Cash Disbursements	
4-1 Distributable Funds, State Funds, and Subdivision Funds	43
4-2 Agency Funds	44
Notes to Financial Statements	45



Phone (620)663-5659 ■ Fax (620)663-6745 ■ www.abbb.com

1701 Landon Street
Hutchinson, Kansas 67502

Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the County Commissioners
Harper County, Kansas
Anthony, Kansas

We have audited the accompanying financial statements of **Harper County, Kansas**, as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of **Harper County, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

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

The financial statements do not include financial data for one of the County's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for a component unit 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 include the financial data for its component unit. The County has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the cash and unencumbered cash balances of the aggregate discretely presented component unit would have been reported as \$77,661 for the Harper County Economic Development Council.

As described more fully in Note 1, **Harper County, Kansas** has prepared these financial statements using accounting practices prescribed or permitted by 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 effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Harper County, Kansas**, as of December 31, 2010, or changes in its financial position for the year then ended. Further, **Harper County, Kansas** has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

Harper County, Kansas

Page Two

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **Harper County, Kansas**, as of December 31, 2010, and their respective cash receipts and disbursements and budgetary results for the year then ended on the basis of accounting described in Note 1.

Adams, Brown, Beran & Ball

ADAMS, BROWN, BERAN & BALL, CHTD.

Certified Public Accountants

August 08, 2011

HARPER COUNTY, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Fund Categories							
General Fund							
General Fund	\$ 878,499	32,750	4,366,242	4,429,943	847,548	184,422	1,031,970
Special Revenue Funds							
Appraiser's Cost Fund	34,682	-	186,298	168,280	52,700	9,775	62,475
Department on Aging Fund	61,740	-	224,240	218,825	67,155	12,781	79,936
Employee Benefits Fund	220,281	-	1,066,057	1,231,520	54,818	-	54,818
Health Fund	241,136	-	664,533	744,394	161,275	24,495	185,770
911 Emergency Tax Fund	26,938	-	23,772	31,410	19,300	-	19,300
Noxious Weed Fund	11,592	-	196,609	183,240	24,961	6,769	31,730
Road and Bridge Fund	1,416,305	-	2,144,556	2,760,933	799,928	97,249	897,177
Special Alcohol Fund	13,272	-	5,291	-	18,563	-	18,563
Special Bridge Fund	9,514	-	297,426	223,254	83,686	10,597	94,283
Special Liability Fund	24,991	-	-	-	24,991	-	24,991
911 Wireless Tax Fund	56,497	-	11,495	10,425	57,567	240	57,807
Capital Equipment Reserve Fund	458,538	-	25,000	91,036	392,502	-	392,502
Capital Improvement Reserve Fund	304,772	-	-	19,854	284,918	-	284,918
County Attorney Equipment Fund	30,730	-	17,920	47,422	1,228	923	2,151
County Attorney Special Equipment Fund	-	-	10,659	-	10,659	-	10,659
Sheriff Equipment Fund	3,770	-	6,913	6,599	4,084	-	4,084
Special Highway Improvement Fund	1,187,017	-	517,531	668,909	1,035,639	35,088	1,070,727
Special Machinery Fund	12,260	-	5,000	-	17,260	-	17,260
Register of Deeds Technology Fund	41,219	-	18,966	-	60,185	-	60,185
Plumb Thicket Monitoring Fund	4,111,205	-	602,577	96,969	4,616,813	96,969	4,713,782
Courthouse Preservation Fund	10,836	-	15	1,000	9,851	-	9,851
Microloan Fund	44,015	-	334	3,000	41,349	-	41,349
SCLEPG Fund	47,515	-	42,147	50,108	39,554	1,598	41,152
CDBG Fund	444	-	109,864	109,864	444	-	444
Fiduciary Fund Category							
Private Purpose Trust Funds							
Prosecutor Training Assistance Fund	1,318	-	1,880	1,733	1,465	-	1,465
Law Enforcement Grant Fund	449	-	-	-	449	-	449
Special Motor Vehicle License Fund	14,940	-	49,889	64,829	-	1,770	1,770
Ambulance Memorial Fund	1,918	-	1,025	-	2,943	-	2,943
EMS Education Grant Fund	-	-	5,091	755	4,336	-	4,336
Total Primary Government	\$ 9,266,393	32,750	10,601,330	11,164,302	8,736,171	482,676	9,218,847

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

HARPER COUNTY, KANSAS
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2010

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Component Unit							
Extension Council	\$ 69,370	-	151,081	115,823	104,628	-	104,628
Total Reporting Entity (Excluding Agency Funds and a Component Unit)	\$ 9,335,763	32,750	10,752,411	11,280,125	8,840,799	482,676	9,323,475
Composition of Cash							
							\$ 9,813,789
							5,702,213
							1,312,000
							640
							16,828,642
							104,628
							(7,272,711)
							(337,084)
							\$ 9,323,475

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

HARPER COUNTY, KANSAS
 Summary of Expenditures - Actual and Budget
 For the Year Ended December 31, 2010

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Fund Categories					
General Fund					
General Fund	\$ 5,020,480	-	5,020,480	4,429,943	(590,537)
Special Revenue Funds					
Appraiser's Cost Fund	198,969	-	198,969	168,280	(30,689)
Department on Aging Fund	273,564	-	273,564	218,825	(54,739)
Employee Benefits Fund	1,278,392	-	1,278,392	1,231,520	(46,872)
Health Fund	766,826	-	766,826	744,394	(22,432)
911 Emergency Tax Fund	28,000	13,888	41,888	31,410	(10,478)
Noxious Weed Fund	167,090	23,599	190,689	183,240	(7,449)
Road and Bridge Fund	3,034,496	-	3,034,496	2,760,933	(273,563)
Special Bridge Fund	425,868	-	425,868	223,254	(202,614)
Special Liability Fund	24,991	-	24,991	-	(24,991)
911 Wireless Tax Fund	21,000	-	21,000	10,425	(10,575)
Special Highway Improvement Fund	1,556,072	-	1,556,072	668,909	(887,163)
Special Machinery Fund	117,260	-	117,260	-	(117,260)

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

HARPER COUNTY, KANSAS

General Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2010

(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 1,264,158	1,603,056	1,645,396	(42,340)
Delinquent Tax	82,267	82,482	-	82,482
Vehicle Tax	134,994	112,588	89,378	23,210
Mineral Production Tax	24,143	43,728	60,000	(16,272)
Total Taxes and Shared Revenues	<u>1,505,562</u>	<u>1,841,854</u>	<u>1,794,774</u>	<u>47,080</u>
Intergovernmental				
Local Alcoholic Liquor Tax	1,441	2,645	1,400	1,245
Racing Admissions Tax	553	-	-	-
District Coroner	624	848	1,500	(652)
Homeland Security Grant	76,481	-	-	-
Emergency Management Grants	37,723	14,885	5,000	9,885
State Aid	15,630	500	-	500
Total Intergovernmental	<u>132,452</u>	<u>18,878</u>	<u>7,900</u>	<u>10,978</u>
Licenses and Fees				
Mortgage Registration Fees	59,529	36,219	60,000	(23,781)
County Officers' Fees	73,744	90,256	25,000	65,256
Total Licenses and Fees	<u>133,273</u>	<u>126,475</u>	<u>85,000</u>	<u>41,475</u>
Charges for Services				
Jail Keep Fees	24,078	6,028	6,000	28
Solid Waste Disposal Fees	63,461	171,950	65,000	106,950
Ambulance Run Fees	330,221	337,118	360,000	(22,882)
Total Charges for Services	<u>417,760</u>	<u>515,096</u>	<u>431,000</u>	<u>84,096</u>
Use of Money and Property				
Interest on Investments	98,090	49,129	160,000	(110,871)
Interest on Delinquent Taxes	198,419	83,653	-	83,653
Rents	3,000	5,616	-	5,616
Total Use of Money and Property	<u>299,509</u>	<u>138,398</u>	<u>160,000</u>	<u>(21,602)</u>
Miscellaneous				
County Farm Income	4,642	12,887	9,700	3,187
Zoning Fees	1,635	655	1,000	(345)
Tonnage Fees	1,711,695	1,694,063	1,728,309	(34,246)
Miscellaneous	12,613	9,506	10,500	(994)
Transfers In	-	8,430	-	8,430
Total Miscellaneous	<u>1,730,585</u>	<u>1,725,541</u>	<u>1,749,509</u>	<u>(23,968)</u>
Total Cash Receipts	<u>\$ 4,219,141</u>	<u>4,366,242</u>	<u>4,228,183</u>	<u>138,059</u>

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

HARPER COUNTY, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
County Commission	\$ 70,948	58,450	56,800	1,650
County Clerk	125,226	133,530	155,030	(21,500)
County Treasurer	98,884	104,214	105,400	(1,186)
County Attorney	101,506	102,018	107,350	(5,332)
Register of Deeds	96,385	99,041	107,350	(8,309)
Judicial Court (Unified Court)	108,884	111,096	119,800	(8,704)
Courthouse General	424,986	378,469	420,300	(41,831)
Election	39,166	37,489	40,600	(3,111)
Sheriff	366,373	366,989	408,510	(41,521)
Jail	211,977	294,967	223,990	70,977
Dispatch	240,928	225,812	233,180	(7,368)
Ambulance	366,567	410,171	626,690	(216,519)
Emergency Management	125,024	14,682	21,559	(6,877)
Solid Waste Disposal	205,694	216,420	245,622	(29,202)
County Administrator	146,473	133,745	162,400	(28,655)
Zoning	31,141	17,200	34,800	(17,600)
GIS	16,607	4,454	37,000	(32,546)
Community Work Service	20,231	28,706	26,075	2,631
Buildings and Grounds	143,644	165,270	205,200	(39,930)
County Counselor	-	45,256	16,854	28,402
Plumb Thicket Funds	416,513	255,349	-	255,349
Appropriations	614,561	624,038	500,970	123,068
Transfers Out	1,084,691	602,577	1,165,000	(562,423)
Total Expenditures	<u>5,056,409</u>	<u>4,429,943</u>	<u>5,020,480</u>	<u>(590,537)</u>
Cash Receipts Over (Under) Expenditures	(837,268)	(63,701)		
Unencumbered Cash - Beginning	1,715,767	878,499		
Prior Year Cancelled Encumbrances	-	32,750		
Unencumbered Cash - Ending	\$ <u>878,499</u>	<u>847,548</u>		

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

HARPER COUNTY, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
County Commission				
Personal Services	\$ 48,175	49,477	47,000	2,477
Contractual Services	22,757	8,973	9,800	(827)
Commodities	16	-	-	-
Department Total	<u>70,948</u>	<u>58,450</u>	<u>56,800</u>	<u>1,650</u>
County Clerk				
Personal Services	117,251	125,792	142,630	(16,838)
Contractual Services	5,354	5,924	9,600	(3,676)
Commodities	2,621	1,814	2,800	(986)
Department Total	<u>125,226</u>	<u>133,530</u>	<u>155,030</u>	<u>(21,500)</u>
County Treasurer				
Personal Services	81,114	82,141	84,300	(2,159)
Contractual Services	11,414	20,035	16,900	3,135
Commodities	6,356	2,038	4,200	(2,162)
Department Total	<u>98,884</u>	<u>104,214</u>	<u>105,400</u>	<u>(1,186)</u>
County Attorney				
Personal Services	87,055	87,935	88,250	(315)
Contractual Services	10,811	7,885	9,600	(1,715)
Commodities	3,640	2,731	7,300	(4,569)
Capital Outlay	-	3,467	2,200	1,267
Department Total	<u>101,506</u>	<u>102,018</u>	<u>107,350</u>	<u>(5,332)</u>
Register of Deeds				
Personal Services	87,921	88,435	88,250	185
Contractual Services	7,262	7,310	9,600	(2,290)
Commodities	1,202	1,169	7,300	(6,131)
Capital Outlay	-	2,127	2,200	(73)
Department Total	<u>96,385</u>	<u>99,041</u>	<u>107,350</u>	<u>(8,309)</u>
Judicial Court (Unified Court)				
Contractual Services	88,233	80,164	100,300	(20,136)
Commodities	8,955	5,522	8,500	(2,978)
Capital Outlay	11,696	25,410	11,000	14,410
Department Total	<u>\$ 108,884</u>	<u>111,096</u>	<u>119,800</u>	<u>(8,704)</u>

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

HARPER COUNTY, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures (continued)				
Courthouse General				
Personal Services	\$ 1,033	-	-	-
Contractual Services	359,051	340,405	385,200	(44,795)
Commodities	62,658	28,865	18,100	10,765
Capital Outlay	2,244	9,199	17,000	(7,801)
Department Total	<u>424,986</u>	<u>378,469</u>	<u>420,300</u>	<u>(41,831)</u>
Election				
Personal Services	17,658	10,332	12,000	(1,668)
Contractual Services	9,917	24,426	24,600	(174)
Commodities	91	1,831	4,000	(2,169)
Capital Outlay	11,500	900	-	900
Department Total	<u>39,166</u>	<u>37,489</u>	<u>40,600</u>	<u>(3,111)</u>
Sheriff				
Personal Services	264,851	274,041	284,610	(10,569)
Contractual Services	34,167	37,601	43,950	(6,349)
Commodities	36,440	47,732	49,650	(1,918)
Capital Outlay	34,059	7,615	30,300	(22,685)
Reimbursed Expenses	(3,144)	-	-	-
Department Total	<u>366,373</u>	<u>366,989</u>	<u>408,510</u>	<u>(41,521)</u>
Jail				
Personal Services	142,646	144,239	119,740	24,499
Contractual Services	29,670	64,537	44,600	19,937
Commodities	38,989	43,683	34,650	9,033
Capital Outlay	1,152	43,163	25,000	18,163
Reimbursed Expenses	(480)	(655)	-	(655)
Department Total	<u>211,977</u>	<u>294,967</u>	<u>223,990</u>	<u>70,977</u>
Dispatch				
Personal Services	209,578	207,559	197,580	9,979
Contractual Services	27,648	14,319	23,900	(9,581)
Commodities	2,469	3,680	7,200	(3,520)
Capital Outlay	1,233	254	4,500	(4,246)
Department Total	<u>240,928</u>	<u>225,812</u>	<u>233,180</u>	<u>(7,368)</u>
Ambulance				
Personal Services	302,079	354,966	398,590	(43,624)
Contractual Services	25,255	13,130	22,400	(9,270)
Commodities	33,033	42,075	55,700	(13,625)
Capital Outlay	6,200	-	150,000	(150,000)
Department Total	<u>\$ 366,567</u>	<u>410,171</u>	<u>626,690</u>	<u>(216,519)</u>

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

HARPER COUNTY, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures (continued)				
Emergency Management				
Personal Services	\$ 11,548	5,012	7,700	(2,688)
Contractual Services	34,741	3,130	2,750	380
Commodities	407	910	7,109	(6,199)
Capital Outlay	1,847	2,375	4,000	(1,625)
Homeland Security Grant	76,481	3,255	-	3,255
Department Total	<u>125,024</u>	<u>14,682</u>	<u>21,559</u>	<u>(6,877)</u>
Solid Waste Disposal				
Personal Services	101,954	105,251	100,732	4,519
Contractual Services	54,770	38,557	60,400	(21,843)
Commodities	14,078	37,243	19,200	18,043
Capital Outlay	34,892	35,369	65,290	(29,921)
Department Total	<u>205,694</u>	<u>216,420</u>	<u>245,622</u>	<u>(29,202)</u>
County Administrator				
Personal Services	116,559	114,935	111,500	3,435
Contractual Services	25,009	17,000	23,800	(6,800)
Commodities	4,905	1,810	25,800	(23,990)
Capital Outlay	-	-	1,300	(1,300)
Department Total	<u>146,473</u>	<u>133,745</u>	<u>162,400</u>	<u>(28,655)</u>
Zoning				
Personal Services	10,482	6,159	10,250	(4,091)
Contractual Services	20,364	11,014	23,800	(12,786)
Commodities	295	27	750	(723)
Department Total	<u>31,141</u>	<u>17,200</u>	<u>34,800</u>	<u>(17,600)</u>
GIS				
Contractual Services	-	-	32,000	(32,000)
Commodities	16,607	4,454	-	4,454
Capital Outlay	-	-	5,000	(5,000)
Department Total	<u>16,607</u>	<u>4,454</u>	<u>37,000</u>	<u>(32,546)</u>
Community Work Service				
Personal Services	14,729	18,396	14,900	3,496
Contractual Services	4,507	5,341	6,325	(984)
Commodities	705	828	850	(22)
Capital Outlay	290	4,141	4,000	141
Department Total	<u>\$ 20,231</u>	<u>28,706</u>	<u>26,075</u>	<u>2,631</u>

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

HARPER COUNTY, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Expenditures (continued)				
Buildings and Grounds				
Personal Services	\$ 88,247	68,410	61,600	6,810
Contractual Services	38,432	26,679	96,200	(69,521)
Commodities	12,130	11,466	20,400	(8,934)
Capital Outlay	4,835	58,715	27,000	31,715
Department Total	<u>143,644</u>	<u>165,270</u>	<u>205,200</u>	<u>(39,930)</u>
County Counselor				
Contractual Services	-	44,773	16,854	27,919
Commodities	-	483	-	483
Department Total	<u>-</u>	<u>45,256</u>	<u>16,854</u>	<u>28,402</u>
Plumb Thicket Funds				
Employee Benefits	-	99,905	-	99,905
Contractual Services	63,435	25,406	-	25,406
Capital Outlay	353,078	130,038	-	130,038
Department Total	<u>416,513</u>	<u>255,349</u>	<u>-</u>	<u>255,349</u>
Appropriations				
Soil Conservation	10,000	10,000	10,000	-
Historical Society	2,000	2,000	2,000	-
Neighborhood Revitalization	-	-	55,000	(55,000)
SCKEDD and RC&D	1,730	1,861	5,000	(3,139)
Harper County Economic Development	133,350	147,890	133,350	14,540
Harper County Community Foundation	166,667	166,667	-	166,667
South Central Kansas Foundation	20,000	20,000	20,000	-
Mental Health	75,493	75,500	75,500	-
Mental Retardation	54,621	54,620	54,620	-
South Central Community Corrections	10,000	10,000	10,000	-
County Extension	123,000	126,700	126,700	-
County Fair	8,500	4,300	4,300	-
County Fair Building	9,200	4,500	4,500	-
Total Appropriations	<u>614,561</u>	<u>624,038</u>	<u>500,970</u>	<u>123,068</u>
Transfers Out	<u>1,084,691</u>	<u>602,577</u>	<u>1,165,000</u>	<u>(562,423)</u>
Total Expenditures	<u>\$ 5,056,409</u>	<u>4,429,943</u>	<u>5,020,480</u>	<u>(590,537)</u>

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

HARPER COUNTY, KANSAS
Appraiser's Cost Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 173,506	153,394	157,493	(4,099)
Delinquent Tax	7,629	8,375	-	8,375
Vehicle Tax	12,892	14,263	12,274	1,989
Miscellaneous	8,340	10,266	-	10,266
Total Cash Receipts	<u>202,367</u>	<u>186,298</u>	<u>169,767</u>	<u>16,531</u>
Expenditures				
Personal Services	152,840	151,858	162,669	(10,811)
Contractual Services	11,570	10,316	19,800	(9,484)
Commodities	14,224	6,106	9,000	(2,894)
Capital Outlay	19,000	-	7,500	(7,500)
Total Expenditures	<u>197,634</u>	<u>168,280</u>	<u>198,969</u>	<u>(30,689)</u>
Cash Receipts Over (Under) Expenditures	4,733	18,018		
Unencumbered Cash - Beginning	<u>29,949</u>	<u>34,682</u>		
Unencumbered Cash - Ending	<u>\$ 34,682</u>	<u>52,700</u>		

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

HARPER COUNTY, KANSAS
Department on Aging Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 69,881	85,191	87,464	(2,273)
Delinquent Tax	3,558	4,175	-	4,175
Vehicle Tax	7,236	6,121	4,939	1,182
Intergovernmental				
State Aid	74,703	66,528	74,602	(8,074)
Mid Kansas Transit District	8,207	7,078	8,500	(1,422)
Miscellaneous				
Donations	62,109	55,147	106,513	(51,366)
Total Cash Receipts	<u>225,694</u>	<u>224,240</u>	<u>282,018</u>	<u>(57,778)</u>
Expenditures				
Personal Services	105,627	107,857	108,542	(685)
Contractual Services	88,999	91,189	144,022	(52,833)
Commodities	17,374	19,779	21,000	(1,221)
Transfers Out	3,000	-	-	-
Total Expenditures	<u>215,000</u>	<u>218,825</u>	<u>273,564</u>	<u>(54,739)</u>
Cash Receipts Over (Under) Expenditures	10,694	5,415		
Unencumbered Cash - Beginning	<u>51,046</u>	<u>61,740</u>		
Unencumbered Cash - Ending	\$ <u>61,740</u>	<u>67,155</u>		

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

HARPER COUNTY, KANSAS
Employee Benefits Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 807,010	953,241	979,273	(26,032)
Delinquent Tax	39,775	43,318	-	43,318
Vehicle Tax	58,689	65,692	57,090	8,602
Miscellaneous	26,695	3,806	-	3,806
Total Cash Receipts	<u>932,169</u>	<u>1,066,057</u>	<u>1,036,363</u>	<u>29,694</u>
Expenditures				
Social Security	253,576	250,443	290,000	(39,557)
KPERS	176,731	223,547	190,000	33,547
Workmen's Compensation	90,380	113,216	120,000	(6,784)
Unemployment Insurance	11,130	7,549	9,392	(1,843)
Health Insurance	584,911	629,445	660,000	(30,555)
Life Insurance	8,038	7,320	9,000	(1,680)
Total Expenditures	<u>1,124,766</u>	<u>1,231,520</u>	<u>1,278,392</u>	<u>(46,872)</u>
Cash Receipts Over (Under) Expenditures	(192,597)	(165,463)		
Unencumbered Cash - Beginning	<u>412,878</u>	<u>220,281</u>		
Unencumbered Cash - Ending	<u>\$ 220,281</u>	<u>54,818</u>		

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

HARPER COUNTY, KANSAS

Health Fund

Statement of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2010

(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 250,467	246,877	256,007	(9,130)
Delinquent Tax	8,913	11,672	9,482	2,190
Vehicle Tax	21,264	21,329	17,751	3,578
Intergovernmental				
State Grants	47,456	44,613	-	44,613
Federal Grants	28,974	59,829	-	59,829
Charges for Services				
Public Health Receipts	126,109	178,056	75,000	103,056
Home Health Receipts	106,688	102,157	188,078	(85,921)
Total Cash Receipts	<u>589,871</u>	<u>664,533</u>	<u>546,318</u>	<u>118,215</u>
Expenditures				
Personal Services	395,280	539,463	674,000	(134,537)
Contractual Services	79,017	86,976	82,826	4,150
Commodities	53,212	104,997	-	104,997
Capital Outlay	-	3,558	-	3,558
Grants Expense	7,050	9,400	10,000	(600)
Total Expenditures	<u>534,559</u>	<u>744,394</u>	<u>766,826</u>	<u>(22,432)</u>
Cash Receipts Over (Under) Expenditures	55,312	(79,861)		
Unencumbered Cash - Beginning	<u>185,824</u>	<u>241,136</u>		
Unencumbered Cash - Ending	\$ <u>241,136</u>	<u>161,275</u>		

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

HARPER COUNTY, KANSAS
911 Emergency Tax Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
911 Fees	\$ 54,916	23,772	9,884	13,888
Expenditures				
Contractual Services	33,570	10,762	8,000	2,762
Commodities	22,860	20,648	-	20,648
Capital Outlay	-	-	20,000	(20,000)
(a) Adjustment for Qualifying Budget Credit	-	-	13,888	(13,888)
Total Expenditures	56,430	31,410	41,888	(10,478)
Cash Receipts Over (Under) Expenditures	(1,514)	(7,638)		
Unencumbered Cash - Beginning	28,452	26,938		
Unencumbered Cash - Ending	\$ 26,938	19,300		
(a) Adjustment for Qualifying Budget Credit				
911 Fees Over Amount Budgeted			\$ 13,888	

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

HARPER COUNTY, KANSAS
Noxious Weed Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 136,755	153,741	157,853	(4,112)
Delinquent Tax	6,499	7,522	-	7,522
Vehicle Tax	12,633	11,747	9,672	2,075
Miscellaneous				
Chemical Sales	25,879	23,599	-	23,599
Miscellaneous	883	-	-	-
Total Cash Receipts	<u>182,649</u>	<u>196,609</u>	<u>167,525</u>	<u>29,084</u>
Expenditures				
Personal Services	56,626	61,466	68,090	(6,624)
Contractual Services	11,226	10,317	12,000	(1,683)
Commodities	71,640	82,461	82,000	461
Capital Outlay	3,888	3,996	5,000	(1,004)
Transfers Out	30,000	25,000	-	25,000
(a) Adjustment for Qualifying Budget Credit	-	-	23,599	(23,599)
Total Expenditures	<u>173,380</u>	<u>183,240</u>	<u>190,689</u>	<u>(7,449)</u>
Cash Receipts Over (Under) Expenditures	9,269	13,369		
Unencumbered Cash - Beginning	<u>2,323</u>	<u>11,592</u>		
Unencumbered Cash - Ending	\$ <u>11,592</u>	<u>24,961</u>		
(a) Adjustment for Qualifying Budget Credit				
Chemical Sales Over Amount Budgeted			\$ 23,599	

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

HARPER COUNTY, KANSAS
Road and Bridge Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 1,839,516	1,366,670	1,403,004	(36,334)
Delinquent Tax	77,812	83,850	-	83,850
Vehicle Tax	122,042	147,067	130,140	16,927
Intergovernmental				
Special County Highway	322,603	344,833	375,815	(30,982)
County Equalization	17,418	18,909	-	18,909
Federal Aid	685,585	17,101	-	17,101
State Aid	96,858	-	-	-
Miscellaneous				
Reimbursements	65,494	127,693	-	127,693
Miscellaneous	47,525	38,433	-	38,433
Total Cash Receipts	<u>3,274,853</u>	<u>2,144,556</u>	<u>1,908,959</u>	<u>235,597</u>
Expenditures				
Personal Services	897,062	902,506	946,960	(44,454)
Contractual Services	243,927	69,237	187,200	(117,963)
Commodities	765,228	858,691	959,200	(100,509)
Capital Outlay	406,679	428,499	439,136	(10,637)
Transfers Out	295,000	502,000	502,000	-
Total Expenditures	<u>2,607,896</u>	<u>2,760,933</u>	<u>3,034,496</u>	<u>(273,563)</u>
Cash Receipts Over (Under) Expenditures	666,957	(616,377)		
Unencumbered Cash - Beginning	<u>749,348</u>	<u>1,416,305</u>		
Unencumbered Cash - Ending	\$ <u>1,416,305</u>	<u>799,928</u>		

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

HARPER COUNTY, KANSAS
Special Alcohol Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
Local Alcoholic Liquor Tax	\$ 2,883	5,291
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	2,883	5,291
Unencumbered Cash - Beginning	10,389	13,272
Unencumbered Cash - Ending	<u>\$ 13,272</u>	<u>18,563</u>

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

HARPER COUNTY, KANSAS
Special Bridge Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 75,177	274,872	282,126	(7,254)
Delinquent Tax	12,299	12,375	-	12,375
Vehicle Tax	25,443	10,179	5,284	4,895
Miscellaneous	482	-	-	-
Total Cash Receipts	<u>113,401</u>	<u>297,426</u>	<u>287,410</u>	<u>10,016</u>
Expenditures				
Personal Services	91,322	89,825	92,068	(2,243)
Contractual Services	36,967	120	16,800	(16,680)
Commodities	121,591	133,309	197,000	(63,691)
Capital Outlay	-	-	120,000	(120,000)
Total Expenditures	<u>249,880</u>	<u>223,254</u>	<u>425,868</u>	<u>(202,614)</u>
Cash Receipts Over (Under) Expenditures	(136,479)	74,172		
Unencumbered Cash - Beginning	<u>145,993</u>	<u>9,514</u>		
Unencumbered Cash - Ending	\$ <u>9,514</u>	<u>83,686</u>		

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

HARPER COUNTY, KANSAS
Special Liability Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts	\$ -	-	-	-
Expenditures				
Contractual Services	-	-	24,991	(24,991)
Cash Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	24,991	24,991		
Unencumbered Cash - Ending	\$ 24,991	24,991		

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

HARPER COUNTY, KANSAS
911 Wireless Tax Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Federal and State Grants	\$ 27,020	-	-	-
Collections	10,681	11,495	9,418	2,077
Total Cash Receipts	<u>37,701</u>	<u>11,495</u>	<u>9,418</u>	<u>2,077</u>
Expenditures				
Commodities	879	7,959	-	7,959
Contractual Services	2,243	2,466	4,000	(1,534)
Capital Outlay	-	-	17,000	(17,000)
Total Expenditures	<u>3,122</u>	<u>10,425</u>	<u>21,000</u>	<u>(10,575)</u>
Cash Receipts Over (Under) Expenditures	34,579	1,070		
Unencumbered Cash - Beginning	<u>21,918</u>	<u>56,497</u>		
Unencumbered Cash - Ending	\$ <u>56,497</u>	<u>57,567</u>		

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

HARPER COUNTY, KANSAS
Capital Equipment Reserve Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Insurance Proceeds	\$ 17,638	-
Transfers In	108,000	25,000
Total Cash Receipts	125,638	25,000
Expenditures		
Capital Outlay	83,186	91,036
Cash Receipts Over (Under) Expenditures	42,452	(66,036)
Unencumbered Cash - Beginning	416,086	458,538
Unencumbered Cash - Ending	\$ <u>458,538</u>	<u>392,502</u>

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

HARPER COUNTY, KANSAS
Capital Improvement Reserve Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers In	\$ 36,000	-
Expenditures		
Capital Outlay	10,694	19,854
Cash Receipts Over (Under) Expenditures	25,306	(19,854)
Unencumbered Cash - Beginning	279,466	304,772
Unencumbered Cash - Ending	\$ <u>304,772</u>	<u>284,918</u>

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

HARPER COUNTY, KANSAS
County Attorney Equipment Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Diversion Fees	\$ 17,952	10,659
Bad Check Fees	634	571
Equipment	6,494	6,645
Miscellaneous	-	45
Total Cash Receipts	<u>25,080</u>	<u>17,920</u>
Expenditures		
Commodities	26,170	36,763
Transfer Out	-	10,659
Total Expenditures	<u>26,170</u>	<u>47,422</u>
Cash Receipts Over (Under) Expenditures	(1,090)	(29,502)
Unencumbered Cash - Beginning	<u>31,820</u>	<u>30,730</u>
Unencumbered Cash - Ending	<u>\$ 30,730</u>	<u>1,228</u>

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

HARPER COUNTY, KANSAS
County Attorney Special Equipment Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers In	\$ -	10,659
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	-	10,659
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	10,659

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

HARPER COUNTY, KANSAS
Sheriff Equipment Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	\$ 2,070	6,913
Expenditures		
Contractual Services	995	6,599
Cash Receipts Over (Under) Expenditures	1,075	314
Unencumbered Cash - Beginning	2,695	3,770
Unencumbered Cash - Ending	\$ 3,770	4,084

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

HARPER COUNTY, KANSAS
Special Highway Improvement Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
KDOT Refund	\$ 161,393	20,531	-	20,531
Transfers In	290,000	497,000	497,000	-
Total Cash Receipts	451,393	517,531	<u>497,000</u>	<u>20,531</u>
Expenditures				
Commodities	33,448	668,909	<u>1,556,072</u>	<u>(887,163)</u>
Cash Receipts Over (Under) Expenditures	417,945	(151,378)		
Unencumbered Cash - Beginning	769,072	1,187,017		
Unencumbered Cash - Ending	\$ <u>1,187,017</u>	<u>1,035,639</u>		

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

HARPER COUNTY, KANSAS
Special Machinery Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Transfers In	\$ 5,000	5,000	<u>5,000</u>	<u>-</u>
Expenditures				
Capital Outlay	<u>100,000</u>	<u>-</u>	<u>117,260</u>	<u>(117,260)</u>
Cash Receipts Over (Under) Expenditures	(95,000)	5,000		
Unencumbered Cash - Beginning	<u>107,260</u>	<u>12,260</u>		
Unencumbered Cash - Ending	\$ <u>12,260</u>	<u>17,260</u>		

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

HARPER COUNTY, KANSAS
Register of Deeds Technology Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Collections	\$ 13,920	18,966
Expenditures		
Capital Outlay	11,645	-
Cash Receipts Over (Under) Expenditures	2,275	18,966
Unencumbered Cash - Beginning	38,944	41,219
Unencumbered Cash - Ending	\$ 41,219	60,185

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

HARPER COUNTY, KANSAS
Plumb Thicket Monitoring Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers In	\$ 973,691	602,577
Expenditures		
Capital Outlay	78,600	96,969
Cash Receipts Over (Under) Expenditures	895,091	505,608
Unencumbered Cash - Beginning	3,216,114	4,111,205
Unencumbered Cash - Ending	\$ 4,111,205	4,616,813

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

HARPER COUNTY, KANSAS
Courthouse Preservation Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Raffle	\$ 5	-
Ornament Sales	15	15
Total Cash Receipts	20	15
Expenditures		
Commodities	-	1,000
Cash Receipts Over (Under) Expenditures	20	(985)
Unencumbered Cash - Beginning	10,816	10,836
Unencumbered Cash - Ending	\$ 10,836	9,851

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

HARPER COUNTY, KANSAS
Microloan Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Loan Repayments	\$ 7,656	334
Expenditures		
Contractual	-	3,000
Cash Receipts Over (Under) Expenditures	7,656	(2,666)
Unencumbered Cash - Beginning	36,359	44,015
Unencumbered Cash - Ending	\$ 44,015	41,349

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

HARPER COUNTY, KANSAS
SCLEPG Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
Federal and State Aid	\$ 15,050	13,759
Miscellaneous		
Local Contributions	23,550	22,800
Licenses, Permits, and Fees	5,834	5,428
Miscellaneous	115	160
Total Cash Receipts	<u>44,549</u>	<u>42,147</u>
Expenditures		
Personal Services	54,865	40,748
Contractual Services	3,626	3,642
Commodities	5,887	5,486
Capital Outlay	314	232
Total Expenditures	<u>64,692</u>	<u>50,108</u>
Cash Receipts Over (Under) Expenditures	(20,143)	(7,961)
Unencumbered Cash - Beginning	<u>67,658</u>	<u>47,515</u>
Unencumbered Cash - Ending	<u>\$ 47,515</u>	<u>39,554</u>

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

HARPER COUNTY, KANSAS
CDBG Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Harper Hospital Administration	\$ 360,000	40,000
Elkhorn Receipts	69,864	69,864
Total Cash Receipts	<u>429,864</u>	<u>109,864</u>
Expenditures		
Harper Hospital Administration	360,000	40,000
Elkhorn Payments	69,864	69,864
Total Expenditures	<u>429,864</u>	<u>109,864</u>
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	<u>444</u>	<u>444</u>
Unencumbered Cash - Ending	<u>\$ 444</u>	<u>444</u>

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

HARPER COUNTY, KANSAS
SCK District Association Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	\$ 260	-
Expenditures		
Miscellaneous	260	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

HARPER COUNTY, KANSAS
Prosecutor Training Assistance Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Collections	\$ 1,165	1,880
Expenditures		
Commodities	1,021	1,733
Cash Receipts Over (Under) Expenditures	144	147
Unencumbered Cash - Beginning	1,174	1,318
Unencumbered Cash - Ending	\$ 1,318	1,465

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

HARPER COUNTY, KANSAS
Law Enforcement Grant Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts	\$ -	-
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	449	449
Unencumbered Cash - Ending	\$ 449	449

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

HARPER COUNTY, KANSAS
Special Motor Vehicle License Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Licenses, Permits, and Fees	\$ 48,693	48,292
Miscellaneous	813	1,597
Total Cash Receipts	<u>49,506</u>	<u>49,889</u>
Expenditures		
Personal Services	41,539	48,228
Contractual Services	1,920	2,965
Commodities	5,508	3,109
Capital Outlay	3,689	2,097
Transfers Out	-	8,430
Total Expenditures	<u>52,656</u>	<u>64,829</u>
Cash Receipts Over (Under) Expenditures	(3,150)	(14,940)
Unencumbered Cash - Beginning	<u>18,090</u>	<u>14,940</u>
Unencumbered Cash - Ending	<u>\$ 14,940</u>	<u>-</u>

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

HARPER COUNTY, KANSAS
Ambulance Memorial Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	\$ 100	1,025
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	100	1,025
Unencumbered Cash - Beginning	1,818	1,918
Unencumbered Cash - Ending	\$ 1,918	2,943

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

HARPER COUNTY, KANSAS
EMS Education Grant Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Grant Proceeds	\$ 18,835	5,091
Expenditures		
Commodities	18,835	755
Cash Receipts Over (Under) Expenditures	-	4,336
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	4,336

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

HARPER COUNTY, KANSAS
Extension Council
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
County Appropriations	\$ 123,000	126,700
KSU Salary Participation	37,752	20,510
Educational Services	2,222	3,599
Interest and Miscellaneous Income	306	272
Total Cash Receipts	<u>163,280</u>	<u>151,081</u>
Expenditures		
Audit, Printing, and Treasury Bond	2,507	2,409
Telephone	1,548	1,616
Postage and Supplies	4,064	2,946
Equipment	4,554	7,415
Miscellaneous	7,927	6,215
Transportation	3,168	2,056
Subsistence	433	817
Salaries	114,985	77,655
Social Security and Retirement	16,185	11,651
Reimbursed Items	2,057	3,043
Total Expenditures	<u>157,428</u>	<u>115,823</u>
Cash Receipts Over (Under) Expenditures	5,852	35,258
Unencumbered Cash - Beginning	<u>63,518</u>	<u>69,370</u>
Unencumbered Cash - Ending	<u>\$ 69,370</u>	<u>104,628</u>

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

HARPER COUNTY, KANSAS
Distributable Funds, State Funds, and Subdivision Funds
 Summary of Cash Receipts and Cash Disbursements
 For the Year Ended December 31, 2010

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Distributable Funds				
Advance Tax	\$ 5,691	31,701	31,835	5,557
NRP Rebate	(38,898)	102,893	102,841	(38,846)
Neighborhood Revitalization Program	23,710	3,000	-	26,710
Current Tax	6,762,215	11,070,293	10,842,432	6,990,076
Delinquent Personal Property	218,295	177,943	395,869	369
Delinquent Real Estate Tax	71,603	271,547	217,298	125,852
Delinquent 16/20M Tax	-	2,761	2,761	-
Motor Vehicle Tax	178,861	849,919	885,862	142,918
Motor Vehicle 16/20M Tax	12,797	16,158	18,255	10,700
Motor Vehicle Sales Tax	-	169,961	169,961	-
Rental Excise Tax	72	126	72	126
Tax/MV Clearing Fund	107	7,730	7,679	158
Total Distributable Funds	7,234,453	12,704,032	12,674,865	7,263,620
State Funds				
State Drivers Licenses	-	33,371	33,829	(458)
State Educational Building Tax	-	81,711	81,711	-
State Institutional Building Tax	-	40,855	40,855	-
Total State Funds	-	155,937	156,395	(458)
Subdivision Funds				
Cemetery Districts	-	140,223	140,223	-
Cities	-	1,316,840	1,315,736	1,104
Hospital Districts	8	1,292,955	1,292,955	8
School Districts	3,436	3,638,081	3,633,080	8,437
Townships	-	107,574	107,574	-
South Central KS Library - General	-	66,019	66,019	-
South Central KS Library - EE Benefits	-	3,840	3,840	-
Total Subdivision Funds	3,444	6,565,532	6,559,427	9,549
Total	\$ 7,237,897	19,425,501	19,390,687	7,272,711

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

HARPER COUNTY, KANSAS
Agency Funds
 Summary of Cash Receipts and Cash Disbursements
 For the Year Ended December 31, 2010

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Clerk of District Court Office	\$ 39,266	834,022	592,536	280,752
Sheriff's Commissary Fund	9,843	25,076	21,689	13,230
Operating Returned Checks	2,577	3,898	2,942	3,533
Mid-Kansas Transit District	-	798,151	798,151	-
Payroll Clearing Fund	191	1,047,889	1,047,918	162
Motor Vehicle Licenses	20,260	420,178	408,361	32,077
Fish and Game Licenses	-	6,185	6,185	-
Jury Duty Clearing Fund	-	4,241	4,241	-
Pioneer Cemetery Fund	30	7,300	-	7,330
Total	\$ 72,167	3,146,940	2,882,023	337,084

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

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Harper County, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The County is a municipal corporation governed by an elected three-member commission. These financial statements present the County (primary government) and one of its component units. The component unit is included in the County's reporting entity because of the significance of their operational or financial relationship with the County.

The component unit section of these financial statements includes the financial data of the discretely presented component unit. This component unit is reported separately to emphasize that it is legally separate from the County. The governing body of this component unit is appointed by the County.

Harper County Extension Council – Harper 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 that makes the Council financially dependent on the County.

The following component unit is excluded from the financial statements of the County. The County exercises significant influence or accountability based primarily on operational or financial relationships with the County.

Harper County Economic Development – Harper County Economic Development Council works to promote new industry, tourism, and recreation to the County. The County substantially funds the operations by levying tax dollars for the operation of the Economic Development Council. The Economic Development Council's activity is not included in the County's financial statements. The records for Harper County Economic Development can be obtained from their office located at 700 N LL&G Avenue in Anthony, Kansas.

Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from those estimates.

Basis of Presentation – Fund Accounting

The accounts of the County are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The following categories of funds comprise the financial activities of the County for the year ended December 31, 2010.

Governmental Fund Categories

General Fund – to account for all financial resources except those required to be reported in an other fund.

Special Revenue Funds – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

Fiduciary Fund Categories

Private Purpose Trust Funds – to account for assets held by the County as trustee or agent for others. The principal and income of these funds may be expended in the course of the fund's designated operations.

Agency Funds – to account for assets held by the County as trustee or agent for others.

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.

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 the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the 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, temporary notes, capital leases, and accrued sick leave are not presented in the financial statements.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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), debt service funds, and enterprise funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

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 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There was one budget amendment this year for the Health Fund.

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 accounts payable and encumbrances. Encumbrances are commitments by the County for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for fiduciary funds and the following special revenue funds: Capital Equipment Reserve Fund, Capital Improvement Reserve Fund, County Attorney Equipment Fund, County Attorney Special Equipment Fund, Sheriff Equipment Fund, Register of Deeds Technology Fund, Plumb Thicket Monitoring Fund, Courthouse Preservation Fund, Microloan Fund, SCLEPG Fund, CDBG Fund, and SCK District Association Fund.

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

Deposits and Investments

The County follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund type in the summary of cash receipts, expenditures and unencumbered cash.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 in which the County is located or in an adjoining county if such institution has been designated as an official depository and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The 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 K.S.A. 9-1405. As of December 31, 2010, the County's allocation of investments was 100% in the Kansas Municipal Investment Pool.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the 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, except during designated "peak periods" when required coverage is 50%. The County did not use "peak periods" during 2010. All deposits were legally secured at December 31, 2010.

At December 31, 2010, the County's carrying amount of deposits was \$11,126,394 and the bank balance was \$11,391,198. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$5,910,437 was covered by federal depository insurance and \$5,480,761 was collateralized with securities held by the pledging financial institutions' agents in the County's name.

At December 31, 2010, the Extension Council's carrying amount of deposits was \$104,628 and the bank balance was \$111,167. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$111,167 was covered by federal depository insurance.

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 of collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

As of December 31, 2010, the County had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years) Less than One	Rating
Kansas Municipal Investment Pool	\$ 5,702,248	5,702,248	S&P AA Af/S1+

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

At December 31, 2010, the County had invested \$5,702,248 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 10% 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.

Compensated Absences

Vacation

Vacation with pay is granted to full-time employees based on the following schedule:

<u>Years of Service</u>	
0 - 1	5 days
2 - 4	10 days
5 - 9	12 days
10 - 14	15 days
15+	18 days

Vacation time may not be used until one year of employment is completed. Vacation time may be accumulated for a maximum carry over of 10 days at the end of any year. Unused vacation time will be due to an employee who terminates employment with the County to be paid on the payroll following the final date of employment.

Sick Leave

All full-time employees are eligible for sick leave. Sick leave with pay is granted at the rate of eight hours of leave for each full month beginning with the date of employment. Any employee voluntarily leaving County employment with 10 or more years of continuous service shall be reimbursed for any unused sick leave at the rate of \$20 per day.

The County's policies regarding vacation and sick pay permit employees to accumulate a maximum of 80 hours of vacation and 1,040 hours of sick leave. The potential liability for vacation is recorded in the County's financial statements. The total potential liability for sick leave is \$28,800 at December 31, 2010. This total potential liability is shown in Note 12 – Long-Term Debt.

Deferred Compensation Plan

The County sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The County is not responsible to make any contributions.

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

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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% and 6% (if hired on or after July 1, 2009) 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 by statute for calendar year 2010 was 7.14%. The County's employer contributions to KPERS for the years ending December 31, 2010, 2009, and 2008 were \$252,431, \$199,928, and \$147,587, respectively, equal to the required contributions for each year as set forth by the legislature.

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the County allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the County 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 County 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 County under this program.

Property Tax Calendar

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt, and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the County for special purposes.

Reimbursements

The County records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures (or expenses) are properly offset by the reimbursements.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 2 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. The County's operating transfers and statutory authority for the year ended December 31, 2010 were as follows:

From	To	Statutory Authority	Amount
Road and Bridge Fund	Special Highway Improvement Fund	K.S.A. 68-590	\$ 497,000
Road and Bridge Fund	Special Machinery Fund	K.S.A. 19-119	5,000
Noxious Weed Fund	Capital Equipment Reserve Fund	K.S.A. 19-119	25,000
General Fund	Plumb Thicket Monitoring Fund	K.S.A. 19-120	602,577
County Attorney Equipment Fund	County Attorney Special Equipment Fund	Resolution No. 2010-11.	10,659
Special Motor Vehicle License Fund	General Fund	K.S.A. 8-145	8,430

NOTE 3 – CAPITAL PROJECTS

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

	Project Authorization	Cash Disbursements and Accounts Payable to Date
Landfill Drainage Project	\$ 102,193	102,193
Courthouse Improvements	57,910	57,910

NOTE 4 – LITIGATION

Harper County, Kansas is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the County.

NOTE 5 – RISK MANAGEMENT

Harper County, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has been unable to obtain errors and omissions insurance at a cost it considers to be economically justifiable. For this reason, the County joined together with other counties in the State to participate in the Kansas County Association Multi-line Pool (KCAMP), a public entity risk pool currently operating as a common risk management and insurance program for 57 participating members.

The County pays an annual premium to KCAMP for its property and liability insurance coverage. The agreement to participate provides that KCAMP will be self-sustaining through member premiums and will

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 5 – RISK MANAGEMENT (continued)

reinsure through commercial companies for claims in excess of \$250,000 for any property loss and \$250,000 for any liability claim for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KCAMP management. During 2010, the County contributed \$93,060 to the fund for this insurance coverage.

The County has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the County joined together with other counties in the State to participate in the Kansas Workers Risk Cooperative for Counties (KWORC), a public entity risk pool currently operating as a common risk management and insurance program for 67 participating members.

The County pays an annual premium to KWORC for its workers compensation insurance coverage. The agreement to participate provides that KWORC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$600,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KWORC management. During 2010, the County contributed \$109,865 to the fund for this insurance coverage.

The County continues to carry commercial insurance for all other risks of loss, including property, general liability, inland marine, workmen's compensation, crime, umbrella, automobile, and fidelity bond coverage. The County has elected not to obtain comprehensive and collision coverage on various County owned motor vehicles due to the age of the vehicles. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three calendar years.

NOTE 6 – GRANTS AND SHARED REVENUES

Harper County, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the County, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 7 – LANDFILL CLOSURE AND POST CLOSURE CARE COST

Harper County, Kansas has a Municipal Solid Waste Landfill that was closed on April 9, 1994. State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Estimates of future costs are not maintained for this closed landfill.

The County maintains a small landfill for industrial and construction waste only. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County has a potential liability for a portion of this closure and post closure care costs in each period based on the landfill capacities used as of each year end. At December 31, 2010, the estimated closure and post closure care costs are \$97,132.

The above figures have been estimated and the potential for change due to inflation or deflation, technology, or applicable laws or regulations, exists to affect the above calculations.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 7 – LANDFILL CLOSURE AND POST CLOSURE CARE COST (continued)

The primary landfill commenced operations in February 2006. The landfill is owned and operated by Waste Connections, Inc. The County has negotiated a host agreement with Waste Connection, Inc. and as such, Waste Connections is solely responsible for closure, post-closure, financial and maintenance responsibilities in connection with the landfill. Furthermore, the County does not have any financial or environmental liability for the landfill.

NOTE 8 – COMPARATIVE DATA

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **Harper County, Kansas'** cash and unencumbered cash balances. However, complete comparative data (i.e., presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

NOTE 9 – JOINTLY GOVERNED ORGANIZATIONS

South Central Kansas Coalition for Public Health

Harper County, Kansas participates in the South Central Kansas Coalition for Public Health (Coalition), which is a jointly governed organization comprised of Barber, Comanche, Edwards, Harper, Kingman, Kiowa, and Pratt Counties. The Coalition is governed by an Executive Board composed of a County Commissioner from each of the respective counties, a consumer of medical services from each of the respective counties, and a provider of medical services from each of the respective counties. The Coalition was formed to create a larger base of operation from which to serve the public on an equal basis with the enhancement and development of core public health functions. The Coalition has received funding from the Kansas Department of Health and Environment and through other private foundations. Grant programs are administered by the Coalition through its member counties as sub-agencies.

Any member county of the Coalition may terminate its activities and membership by submitting a resolution declaring its intention to withdraw from the agreement no later than the first Friday in June of each year, and the withdrawal shall become effective at the end of such year. Should three or more of the member counties terminate its membership, the Coalition will terminate.

Mid-Kansas Transit District, Inc.

Harper County, Kansas participates in Mid-Kansas Transit District, Inc. (Transit District), a nonprofit corporation, which is a jointly governed organization comprised of public transportation service providers in Harper, Kingman, Reno, Rice, and Sumner Counties. The Transit District is governed by its members who annually elect officers from its membership for the positions of Chairperson, Vice Chairperson, Secretary, and Treasurer. The Transit District was formed for the purpose of lessening government burden of state and federal funds to public and private not-for-profit agencies providing public transportation services. The Transit District receives funding from grant programs through the Kansas Department of Transportation, and such funding is then distributed to its membership. The County provides administrative services to the Transit District and all grant funding received and expended by the Transit District is included within the Mid-Kansas Transit District Fund of the County.

NOTE 10 – MICRO LOAN FUND

Harper County, Kansas administers a Micro Loan program which makes loans to businesses in the County. The County had one loan outstanding at December 31, 2010. The loan bears an interest rate of 4.25% over a 60 month term. The balance of this loan was \$2,728 at December 31, 2010.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 11 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The County had an unencumbered cash balance of \$(38,846) in the NRP Rebate Fund and \$(458) in the State Drivers Licenses Fund, which is in violation of K.S.A. 10-1113.

The County has checks outstanding greater than two years. This is a violation of K.S.A. 10-815.

Register of Deeds Office did not remit the mortgage registration fees daily to the Treasurer as per K.S.A. 79-3104.

NOTE 12 – LONG-TERM DEBT

The County has the following types of long-term debt.

Capital Leases

The County has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

HARPER COUNTY, KANSAS
Notes to Financial Statements
December 31, 2010

12. LONG-TERM DEBT (continued)

Changes in long-term liabilities for the County for the year ended December 31, 2010, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/Payments	Net Change	Balance End of Year	Interest Paid
Capital Leases										
Komatsu PC200LC - 7L	3.81%	10/24/05	\$ 130,555	10/24/2010	\$ 61,345	-	(61,345)	-	-	2,655
2006 Sterling Trucks 7501 (5)	4.50%	08/09/05	339,685	8/9/2011	103,308	-	(50,517)	52,791	52,791	4,649
2007 JD670D Grader	4.25%	10/20/06	414,350	11/20/2011	304,413	-	(32,248)	272,165	272,165	12,710
2007 JD670D Grader	4.25%	11/20/06	298,900	12/20/2011	210,125	-	(26,236)	183,889	183,889	8,732
2007 JD670D Grader	4.25%	11/20/06	448,350	12/20/2011	315,188	-	(39,354)	275,834	275,834	13,097
2007 Komatsu Loader	4.89%	05/15/07	65,608	8/15/2012	60,027	-	(3,249)	56,778	56,778	2,896
2008 Caterpillar Track Loader	3.75%	06/24/08	213,843	6/24/2013	172,772	-	(28,680)	144,092	144,092	6,213
2008 Komatsu Loader	4.00%	10/02/08	153,127	8/15/2013	140,139	-	(11,934)	128,205	128,205	5,533
2008 Komatsu Dozer	3.50%	09/08/08	194,530	8/15/2013	170,377	-	(23,842)	146,535	146,535	5,798
2010 JD 670G Motor Grader	3.45%	05/01/10	298,148	7/1/2015	-	298,148	(5,807)	292,341	292,341	5,180
2009 Komatsu Crawler Dozer	3.75%	04/05/10	198,791	4/5/2015	-	198,791	(21,640)	177,151	177,151	3,492
Total Capital Leases					1,537,694	496,939	(304,852)		1,729,781	70,955
Landfill Closure and Post Closure Care					94,657			2,475	97,132	
Sick Leave					27,035			1,765	28,800	
Total Long-Term Debt					\$ 1,659,386	496,939	(304,852)	4,240	1,855,713	70,955

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

	YEAR					Total
	2011	2012	2013	2014	2015	
Principal						
Capital Leases						
2006 Sterling Trucks 7501 (5)	\$ 52,791	-	-	-	-	52,791
2007 JD670D Grader	272,165	-	-	-	-	272,165
2007 JD670D Grader	183,889	-	-	-	-	183,889
2007 JD670D Grader	275,834	-	-	-	-	275,834
2007 Komatsu Loader	3,409	53,369	-	-	-	56,778
2008 Caterpillar Track Loader	29,765	30,892	83,435	-	-	144,092
2008 Komatsu Loader	12,421	12,927	102,857	-	-	128,205
2008 Komatsu Dozer	24,690	25,569	96,276	-	-	146,535
2010 JD 670G Motor Grader	11,918	12,335	12,768	13,216	242,104	292,341
2009 Komatsu Crawler Dozer	18,662	19,369	20,102	20,863	98,155	177,151
Total Principal	885,544	154,461	315,438	34,079	340,259	1,729,781
Interest						
Capital Leases						
2006 Sterling Trucks 7501 (5)	2,376	-	-	-	-	2,376
2007 JD670D Grader	11,313	-	-	-	-	11,313
2007 JD670D Grader	7,595	-	-	-	-	7,595
2007 JD670D Grader	11,392	-	-	-	-	11,392
2007 Komatsu Loader	2,735	2,776	-	-	-	5,511
2008 Caterpillar Track Loader	5,127	4,000	1,564	-	-	10,691
2008 Komatsu Loader	5,047	4,541	4,612	-	-	14,200
2008 Komatsu Dozer	4,951	4,072	3,366	-	-	12,389
2010 JD 670G Motor Grader	10,056	9,638	9,206	8,758	4,884	42,542
2009 Komatsu Crawler Dozer	6,470	5,763	5,030	4,269	1,844	23,376
Total Interest	67,062	30,790	23,778	13,027	6,728	141,385
Total Principal and Interest	\$ 952,606	185,251	339,216	47,106	346,987	1,871,166