

MORRIS COUNTY, KANSAS
INDEPENDENT AUDITORS' REPORT AND
STATUTORY BASIS FINANCIAL STATEMENTS

Year Ended December 31, 2011

ALDRICH AND COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS
COUNCIL GROVE, KANSAS

MORRIS COUNTY, KANSAS

STATUTORY BASIS FINANCIAL STATEMENTS

For the Year Ended December 31, 2011

Table of Contents

FINANCIAL SECTION

	<u>Statement</u>	<u>Page</u>
Independent Auditors' Report		1
Summary of Cash Receipts, Expenditures and Unencumbered Cash	1	2-3
Summary of Expenditures – Actual and Budget (Budgeted Funds Only)	2	4
Summary of Cash Receipts, Expenditures and Unencumbered Cash		
General	3-1	5
Special Revenue		
Road and Bridge	3-2	6
Special Bridge	3-3	7
Reappraisal	3-4	8
County Health	3-5	9
Noxious Weed	3-6	10
Ambulance	3-7	11
Mental Health	3-8	12
Hospital Maintenance	3-9	13
Employee Benefits	3-10	14
911	3-11	15
911 Wireless	3-12	16
Capital Improvement Reserve	3-13	17
Equipment Reserve	3-14	18
Diversion	3-15	19
Drug Forfeiture & Seizure	3-16	20
Register of Deeds Technology	3-17	21
Debt Service		
Bond and Interest	3-18	22
Hospital Revenue Bond	3-19	23
Enterprise Fund		
Solid Waste Disposal	3-20	24
Fiduciary Fund – Expendable Trust Funds		
Law Library	3-21	25
Prosecuting Attorney	3-21	25
County Attorney Worthless Checks	3-21	25
Treasurer's Special Auto	3-21	25
Agency Funds – Statement of Cash Receipts and Cash Disbursements	4	26

MORRIS COUNTY, KANSAS

STATUTORY BASIS FINANCIAL STATEMENTS

For the Year Ended December 31, 2011

Table of Contents

FINANCIAL SECTION

	<u>Statement</u>	<u>Page</u>
NOTES TO THE FINANCIAL STATEMENTS		27-36

SUPPLEMENTAL INFORMATION SCHEDULES

	<u>Schedule</u>	<u>Page</u>
General Fund Detailed Cash Receipts	A	37
General Fund Detailed Expenditures	B	38-40
Reconciled 2010 Tax Roll	C	41

Independent Auditors' Report

Board of Commissioners
Morris County, Kansas
Council Grove, KS 66846

We have audited the accompanying primary government statutory basis financial statements of Morris County, Kansas as of and for the year ended December 31, 2011, as listed in the table of contents. These primary government statutory basis financial statements are the responsibility of Morris County, Kansas management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year partial comparative information has been derived from the County's 2010 financial statements and, in our report dated May 20, 2011, we expressed an unqualified opinion of the respective primary government financial statements, taken as a whole, on the statutory basis of accounting.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the guidance in 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 opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the County's primary government. The primary government financial statements referred to above do not include the financial data of component units of Morris County, Kansas, as of December 31, 2011. 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, Morris County, Kansas 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 effects on the financial statements of the differences between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, is presumed to be material.

In our opinion, because of the omission of the component units as discussed above, and 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 Morris County, Kansas, as of December 31, 2011, or the changes in its financial position, or where applicable, its cash flows for the year then ended.

In our opinion, the primary government statutory basis financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of Morris County, Kansas, as of December 31, 2011, and its cash receipts, expenditures, and budgetary results for the year then ended, taken as a whole, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the primary government statutory basis financial statements of Morris County, Kansas, taken as a whole. The information identified in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole, on the basis of accounting described in Note 1.

Aldrich & Company, LLC

ALDRICH AND COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS
May 23, 2012

MORRIS COUNTY, KANSAS

Statement 1

Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2011

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Government Funds							
General Fund	\$ 484,417	\$ 1,111	\$ 2,306,480	\$ 2,032,942	\$ 759,066	\$ 79,136	\$ 838,202
Special Revenue Funds:							
Road and Bridge	407,229		2,213,619	2,299,049	321,799	423,874	745,673
Special Bridge	30,929	1,090	99,561	93,338	38,242	40,000	78,242
Reappraisal	62,580		147,306	131,982	77,904	2,934	80,838
County Health	912		104,800	103,745	1,967	0	1,967
Noxious Weed	84,472		137,195	163,649	58,018	75,708	133,726
Ambulance	3,545		138,474	135,745	6,274	0	6,274
Mental Health	357		48,651	47,375	1,633	0	1,633
Hospital Maintenance	613		130,574	127,490	3,697	0	3,697
Employee Benefits	420,858		384,665	585,022	220,501	7,382	227,883
911 Fund	114,095		23,215	15,079	122,231	911	123,142
911 Wireless	52,415		79,507	75,005	56,917	667	57,584
Capital Improvement Reserve	404,789		0	16,057	388,732	1,671	390,403
Equipment Reserve	784,804		338,518	57,855	1,065,467	10,503	1,075,970
Diversion	2,694		6,593	8,243	1,044	0	1,044
Sheriff Drug Forfeiture & Seizure	5,194		10,990	0	16,184	0	16,184
Register of Deeds Technology Fund	31,947		7,760	13,057	26,650	0	26,650
Debt Service							
Bond and Interest	27,701		901	0	28,602	0	28,602
Hospital Revenue Bond	69,218		65,281	134,499	0	0	0
Enterprise Funds							
Solid Waste Disposal	304,918	4,624	361,344	291,825	379,061	13,780	392,841
Fiduciary Funds							
Expendable Trusts							
Law Library	4,984		3,681	8,075	590	0	590
Prosecuting Attorney	2,718		427	48	3,097	0	3,097
County Attorney Worthless Checks	427		10	0	437	0	437
Treasurer's Special Auto	47,561	0	56,130	65,696	37,995	0	37,995
Total Reporting Entity (Excluding Agency Funds Statement 4)	\$ 3,349,377	\$ 6,825	\$ 6,665,682	\$ 6,405,776	\$ 3,616,108	\$ 656,566	\$ 4,272,674

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

MORRIS COUNTY, KANSAS

Statement 1 (Cont.)

Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2011

Composition of Cash Balance as of December 31, 2011

Cash on Hand		
County Treasurer	\$	26,804
Demand Deposits		
Farmers & Drovers Bank - Treasurer		5,303,586
Farmers & Drovers Bank - District Court		17,503
Farmers & Drovers Bank - Law Library		590
Farmers & Drovers Bank - County Attorney		109
Farmers & Drovers Bank - Sheriff		2,865
Farmers & Drovers Bank - Solid Waste & Recycling		2,700
State of Kansas Pooled Money Investment Portfolio - Overnight Pool		3,000,024
Time Deposits		
Certificates of Deposit		
Farmers & Drovers Bank		600,000
Emprise Bank, Council Grove		100,000
Central Bank, White City		1,000,000
Total Cash Balance		10,054,181
Less: Agency Funds per Statement 4		5,781,507
Total Reporting Entity(Excluding Agency Funds)	\$	<u>4,272,674</u>

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

MORRIS COUNTY, KANSAS

Statement 2

Summary of Expenditures
Actual and Budget
For the Year Ended December 31, 2011

FUNDS	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Favorable (Unfavorable)
General Fund	\$ 2,348,211	\$ 0	\$ 2,348,211	\$ 2,032,942	\$ 315,269
Special Revenue Funds:					
Road and Bridge	2,218,700	199,215	2,417,915	2,299,049	118,866
Special Bridge	110,000		110,000	93,338	16,662
Reappraisal	156,850		156,850	131,982	24,868
County Health	103,745		103,745	103,745	0
Noxious Weed	180,775		180,775	163,649	17,126
Ambulance	135,745		135,745	135,745	0
Mental Health	47,375		47,375	47,375	0
Hospital Maintenance	127,490		127,490	127,490	0
Employee Benefits	683,000		683,000	585,022	97,978
911 Fund	90,000		90,000	15,079	74,921
911 Wireless	25,000	67,000	92,000	75,005	16,995
Diversion	20,000		20,000	8,243	11,757
Debt Service					
Bond and Interest	0		0	0	0
Hospital Revenue Bond	60,900		60,900	134,499	(73,599)
Proprietary Funds					
Solid Waste Disposal	387,168		387,168	291,825	95,343

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

MORRIS COUNTY, KANSAS

Statement 3-1

General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Taxes	\$ 1,370,619	\$ 1,736,595	\$ 1,674,317	\$ 62,278
Intergovernmental	382,496	400,045	335,000	65,045
Licences and Fees	87,412	83,444	80,000	3,444
Use of Money and Property	25,080	19,098	26,250	(7,152)
Reimbursements	69,303	19,737	0	19,737
Insurance reimbursement	478,278	0	0	0
Treasurer Special Auto Fees	44,391	47,561	45,000	2,561
Total Cash Receipts	<u>2,457,579</u>	<u>2,306,480</u>	<u>2,160,567</u>	<u>145,913</u>
Expenditures				
General Government				
County Commission	48,891	49,209	53,110	3,901
County Clerk	81,073	83,180	91,170	7,990
County Treasurer	94,281	96,967	90,800	(6,167)
County Attorney	102,427	112,466	103,420	(9,046)
Register of Deeds	59,285	62,336	69,480	7,144
Courthouse General	851,220	395,966	672,661	276,695
District Court	31,854	35,308	35,918	610
Election	37,520	28,119	51,500	23,381
Total General Government	<u>1,306,551</u>	<u>863,551</u>	<u>1,168,059</u>	<u>304,508</u>
Public Safety				
Dispatch	126,224	129,645	148,880	19,235
Sheriff	311,372	335,137	320,602	(14,535)
Jail	106,457	121,493	149,537	28,044
Emergency Preparedness	39,212	33,567	19,065	(14,502)
Juvenile Detention	15,240	43,963	35,000	(8,963)
Total Public Safety	<u>598,505</u>	<u>663,805</u>	<u>673,084</u>	<u>9,279</u>
Appropriations				
Fair Premium	4,000	4,000	4,000	0
Fair Buildings	22,500	22,500	22,500	0
Conservation District	19,000	25,000	25,000	0
Extension Council	102,642	0	0	0
Services of Elderly	63,076	63,745	63,745	0
Industrial Development	18,510	18,510	18,510	0
Tourism	14,500	14,500	14,500	0
Public Transportation	10,000	10,000	10,000	0
Historical Society	5,813	5,813	5,813	0
Rural Lakes Region	0	3,000	3,000	0
Total Appropriations	<u>260,041</u>	<u>167,068</u>	<u>167,068</u>	<u>0</u>
Operating Transfers				
Capital Improvement	0	0	0	0
Equipment Reserve	253,246	338,518	340,000	1,482
Total Operating Transfers	<u>253,246</u>	<u>338,518</u>	<u>340,000</u>	<u>1,482</u>
Adjustments for Qualifying Budget Credits	0	0	0	0
Total Expenditures	<u>2,418,343</u>	<u>2,032,942</u>	<u>\$ 2,348,211</u>	<u>\$ 315,269</u>
Receipts Over (Under) Expenditures	39,236	273,538		
Unencumbered Cash, January 1	445,181	484,417		
Prior year cancelled encumbrances	0	1,111		
Unencumbered Cash, December 31	<u>\$ 484,417</u>	<u>\$ 759,066</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-2

Road and Bridge Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 1,454,659	\$ 1,506,722	\$ 1,486,797	\$ 19,925
Delinquent Tax	12,001	32,990	0	32,990
Motor Vehicle Tax	114,797	137,367	152,734	(15,367)
Recreational Vehicle Tax	3,279	3,463	4,320	(857)
16/20M Vehicle Tax	9,278	10,286	11,312	(1,026)
Excise tax	6	91	0	91
State of Kansas - Special City and County Highway	303,072	293,347	300,000	(6,653)
State of Kansas - Equalization and Adjustment	8,347	15,686	0	15,686
Federal Entitlement	14,333	14,452	8,000	6,452
FEMA & KS Emergency Aid	311,603	1,644	0	1,644
Fuel reimbursements	47,005	59,250	35,000	24,250
Reimbursements	28,578	138,321	0	138,321
Total Cash Receipts	<u>2,306,958</u>	<u>2,213,619</u>	<u>1,998,163</u>	<u>215,456</u>
Expenditures				
Personal Services	536,006	527,405	616,100	88,695
Commodities	1,432,197	1,510,650	1,400,000	(110,650)
Contractual Services	120,357	243,507	72,600	(170,907)
Capital Outlay	184,987	17,487	130,000	112,513
Adjustment for budget credits	0	0	199,215	199,215
Total Expenditures	<u>2,273,547</u>	<u>2,299,049</u>	<u>\$ 2,417,915</u>	<u>\$ 118,866</u>
Receipts Over (Under) Expenditures	33,411	(85,430)		
Unencumbered Cash, January 1	<u>373,818</u>	<u>407,229</u>		
Unencumbered Cash, December 31	<u>\$ 407,229</u>	<u>\$ 321,799</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-3

Special Bridge Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 82,757	\$ 86,498	\$ 85,369	\$ 1,129
Delinquent Tax	641	1,881	0	1,881
Motor Vehicle Tax	5,341	7,475	8,683	(1,208)
Recreational Vehicle Tax	151	191	246	(55)
Excise Tax	0	5	0	5
16/20M Vehicle Tax	523	452	643	(191)
Sale of Materials	2,474	3,059	0	3,059
Total Cash Receipts	<u>91,887</u>	<u>99,561</u>	<u>94,941</u>	<u>4,620</u>
Expenditures				
Commodities	36,055	17,598	30,000	12,402
Contractual	62,300	75,740	80,000	4,260
Total Expenditures	<u>98,355</u>	<u>93,338</u>	<u>\$ 110,000</u>	<u>\$ 16,662</u>
Receipts Over (Under) Expenditures	(6,468)	6,223		
Unencumbered Cash, January 1	37,397	30,929		
Prior year cancelled encumbrances	<u>0</u>	<u>1,090</u>		
Unencumbered Cash, December 31	<u>\$ 30,929</u>	<u>\$ 38,242</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-4

Reappraisal Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 132,543	\$ 125,437	\$ 123,831	\$ 1,606
Delinquent Tax	1,421	3,554	0	3,554
Motor Vehicle Tax	13,568	13,271	13,932	(661)
Recreational Vehicle Tax	389	328	394	(66)
Excise Tax	0	9	0	9
16/20M Vehicle Tax	1,040	1,232	1,032	200
Reimbursement	0	0	0	0
Copies, Maps, Printouts	2,669	3,475	0	3,475
Total Cash Receipts	<u>151,630</u>	<u>147,306</u>	<u>139,189</u>	<u>8,117</u>
Expenditures				
Personal Services	114,801	112,980	130,050	17,070
Commodities	6,243	5,695	9,000	3,305
Contractual Services	5,924	5,661	9,800	4,139
Capital Outlay	0	7,646	8,000	354
Total Expenditures	<u>126,968</u>	<u>131,982</u>	<u>\$ 156,850</u>	<u>\$ 24,868</u>
Receipts Over (Under) Expenditures	24,662	15,324		
Unencumbered Cash, January 1	<u>37,918</u>	<u>62,580</u>		
Unencumbered Cash, December 31	<u>\$ 62,580</u>	<u>\$ 77,904</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-5

County Health Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 88,398	\$ 92,639	\$ 91,426	\$ 1,213
Delinquent Tax	977	2,419	0	2,419
Motor Vehicle Tax	8,836	8,741	9,290	(549)
Recreational Vehicle Tax	252	217	263	(46)
Excise Tax	0	6	0	6
16/20M Vehicle Tax	761	778	688	90
Total Cash Receipts	<u>99,224</u>	<u>104,800</u>	<u>101,667</u>	<u>3,133</u>
Expenditures				
Appropriation to Morris County Hospital	<u>103,076</u>	<u>103,745</u>	<u>\$ 103,745</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(3,852)	1,055		
Unencumbered Cash, January 1	<u>4,764</u>	<u>912</u>		
Unencumbered Cash, December 31	<u>\$ 912</u>	<u>\$ 1,967</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-6

Noxious Weed Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 7,859	\$ 61,210	\$ 60,283	\$ 927
Delinquent Tax	637	1,077	0	1,077
Motor Vehicle Tax	6,718	2,351	857	1,494
Recreational Vehicle Tax	197	46	24	22
16/20M Tax	257	684	63	621
Excise	0	2	0	2
Materials and Service	87,513	71,825	70,000	1,825
Total Cash Receipts	<u>103,181</u>	<u>137,195</u>	<u>131,227</u>	<u>5,968</u>
Expenditures				
Personal Services	13,275	14,617	26,775	12,158
Commodities	145,401	145,946	145,000	(946)
Contractual Services	3,372	3,086	5,000	1,914
Capital Outlay	0	0	4,000	4,000
Total Expenditures	<u>162,048</u>	<u>163,649</u>	<u>\$ 180,775</u>	<u>\$ 17,126</u>
Receipts Over (Under) Expenditures	(58,867)	(26,454)		
Unencumbered Cash, January 1	<u>143,339</u>	<u>84,472</u>		
Unencumbered Cash, December 31	<u>\$ 84,472</u>	<u>\$ 58,018</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-7

Ambulance Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 108,228	\$ 114,669	\$ 113,159	\$ 1,510
Delinquent Tax	1,196	2,966	0	2,966
Motor Vehicle Tax	10,927	10,710	11,378	(668)
Recreational Vehicle Tax	310	266	322	(56)
Excise Tax	0	7	0	7
16/20M Vehicle Tax	963	956	843	113
Other participating counties tax	8,586	8,900	7,500	1,400
Total Cash Receipts	<u>130,210</u>	<u>138,474</u>	<u>133,202</u>	<u>5,272</u>
Expenditures				
Appropriation to Morris County Hospital - Service	63,076	63,745	63,745	0
Appropriation to Morris County Hospital - Salaries	72,000	72,000	72,000	0
Total Expenditures	<u>135,076</u>	<u>135,745</u>	<u>\$ 135,745</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(4,866)	2,729		
Unencumbered Cash, January 1	<u>8,411</u>	<u>3,545</u>		
Unencumbered Cash, December 31	<u>\$ 3,545</u>	<u>\$ 6,274</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-8

Mental Health
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 40,338	\$ 43,126	\$ 42,563	\$ 563
Delinquent Tax	451	1,112	0	1,112
Motor Vehicle Tax	4,015	3,966	4,239	(273)
Recreational Vehicle Tax	114	98	120	(22)
Excise Tax	0	3	0	3
16/20M Vehicle Tax	372	346	314	32
Total Cash Receipts	<u>45,290</u>	<u>48,651</u>	<u>47,236</u>	<u>1,415</u>
Expenditures				
Mental Health	35,375	35,375	35,375	0
Mental Retardation	12,000	12,000	12,000	0
Total Expenditures	<u>47,375</u>	<u>47,375</u>	<u>\$ 47,375</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	<u>(2,085)</u>	<u>1,276</u>		
Unencumbered Cash, January 1	<u>2,442</u>	<u>357</u>		
Unencumbered Cash, December 31	<u>\$ 357</u>	<u>\$ 1,633</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-9

Hospital Maintenance Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 109,391	\$ 115,599	\$ 114,064	\$ 1,535
Delinquent Tax	1,188	2,949	0	2,949
Motor Vehicle Tax	10,860	10,796	11,494	(698)
Recreational Vehicle Tax	309	268	325	(57)
Excise Tax	0	7	0	7
16/20M Vehicle Tax	941	955	851	104
Total Cash Receipts	<u>122,689</u>	<u>130,574</u>	<u>126,734</u>	<u>3,840</u>
Expenditures				
Appropriation to Hospital-Mill Levy	<u>126,152</u>	<u>127,490</u>	<u>\$ 127,490</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(3,463)	3,084		
Unencumbered Cash, January 1	<u>4,076</u>	<u>613</u>		
Unencumbered Cash, December 31	<u>\$ 613</u>	<u>\$ 3,697</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-10

Employee Benefits Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 446,726	\$ 319,704	\$ 315,747	\$ 3,957
Delinquent Tax	5,170	12,655	0	12,655
Motor Vehicle Tax	51,467	46,352	46,986	(634)
Recreational Vehicle Tax	1,482	1,135	1,329	(194)
16/20M Vehicle Tax	3,549	4,786	3,480	1,306
Excise tax	3	33	0	33
Refunds	115,932	0	0	0
Total Cash Receipts	<u>624,329</u>	<u>384,665</u>	<u>367,542</u>	<u>17,123</u>
Expenditures				
K.P.E.R.S.	107,408	117,135	100,000	(17,135)
Social Security Tax	118,242	119,983	130,000	10,017
Unemployment Tax	2,814	4,218	6,000	1,782
Workmen's Compensation	41,273	48,420	47,000	(1,420)
Health Insurance	299,789	295,266	400,000	104,734
Total Expenditures	<u>569,526</u>	<u>585,022</u>	<u>\$ 683,000</u>	<u>\$ 97,978</u>
Receipts Over (Under) Expenditures	54,803	(200,357)		
Unencumbered Cash, January 1	<u>366,055</u>	<u>420,858</u>		
Unencumbered Cash, December 31	<u>\$ 420,858</u>	<u>\$ 220,501</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-11

911 Fund
 Statement of Cash Receipts and Expenditures-Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Telephone Tax	\$ 30,314	\$ 23,215	\$ 15,000	\$ 8,215
Miscellaneous	0	0	0	0
Total Cash Receipts	<u>30,314</u>	<u>23,215</u>	<u>15,000</u>	<u>8,215</u>
Expenditures				
Commodities	645	2,886	5,000	2,114
Contractual Services	12,949	12,193	20,000	7,807
Capital Outlay	0	0	65,000	65,000
Total Expenditures	<u>13,594</u>	<u>15,079</u>	<u>\$ 90,000</u>	<u>\$ 74,921</u>
Receipts Over (Under) Expenditures	16,720	8,136		
Unencumbered Cash, January 1	<u>97,375</u>	<u>114,095</u>		
Unencumbered Cash, December 31	<u>\$ 114,095</u>	<u>\$ 122,231</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-12

Wireless 911 Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Telephone Tax & interest	\$ 12,968	\$ 12,507	\$ 12,000	\$ 507
Other	0	67,000	0	67,000
Total Cash Receipts	<u>12,968</u>	<u>79,507</u>	<u>12,000</u>	<u>67,507</u>
Expenditures				
Wireless 911 Maintenance	7,933	75,005	25,000	(50,005)
Adjustment for budget credit	0	0	67,000	67,000
Total Expenditures	<u>7,933</u>	<u>75,005</u>	<u>\$ 92,000</u>	<u>\$ 16,995</u>
Receipts Over (Under) Expenditures	5,035	4,502		
Unencumbered Cash, January 1	<u>47,380</u>	<u>52,415</u>		
Unencumbered Cash, December 31	<u>\$ 52,415</u>	<u>\$ 56,917</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-13

Capital Improvement Reserve Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Cash Receipts		
Transfer from general	\$ 0	\$ 0
Expenditures		
Capital Outlay	<u> 14,075</u>	<u> 16,057</u>
Receipts Over (Under) Expenditures	(14,075)	(16,057)
Unencumbered Cash, January 1	<u> 418,864</u>	<u> 404,789</u>
Unencumbered Cash, December 31	<u>\$ 404,789</u>	<u>\$ 388,732</u>

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

MORRIS COUNTY, KANSAS

Statement 3-14

Equipment Reserve Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Cash Receipts		
Transfer from General Fund	\$ 253,246	\$ 338,518
Expenditures		
Equipment	<u>20,246</u>	<u>57,855</u>
Receipts Over (Under) Expenditures	233,000	280,663
Unencumbered Cash, January 1	<u>551,804</u>	<u>784,804</u>
Unencumbered Cash, December 31	<u>\$ 784,804</u>	<u>\$ 1,065,467</u>

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

MORRIS COUNTY, KANSAS

Statement 3-15

Diversion Fund
 Statement of Cash Receipts and Expenditures – Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Fees	\$ 8,575	\$ 6,593	\$ 17,000	\$ (10,407)
Total Cash Receipts	<u>8,575</u>	<u>6,593</u>	<u>17,000</u>	<u>(10,407)</u>
Expenditures				
Diversion expense	<u>12,508</u>	<u>8,243</u>	<u>\$ 20,000</u>	<u>\$ 11,757</u>
Receipts Over (Under) Expenditures	(3,933)	(1,650)		
Unencumbered Cash, January 1	<u>6,627</u>	<u>2,694</u>		
Unencumbered Cash, December 31	<u>\$ 2,694</u>	<u>\$ 1,044</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-16

Drug Forfeiture & Seizure Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
Cash Receipts	\$ 0	\$ 10,990
Expenditures	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	10,990
Unencumbered Cash, January 1	<u>5,194</u>	<u>5,194</u>
Unencumbered Cash, December 31	<u>\$ 5,194</u>	<u>\$ 16,184</u>

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

MORRIS COUNTY, KANSAS

Statement 3-17

Register of Deed Technology Fund
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year <u>Actual</u>	<u>Actual</u>
Cash Receipts		
Register of Deeds Technology Fund	\$ 7,594	\$ 7,760
Total Cash Receipts	<u>7,594</u>	<u>7,760</u>
 Expenditures		
Technology Equipment	<u>12,474</u>	<u>13,057</u>
Receipts Over (Under) Expenditures	(4,880)	(5,297)
Unencumbered Cash, January 1	<u>36,827</u>	<u>31,947</u>
Unencumbered Cash, December 31	<u>\$ 31,947</u>	<u>\$ 26,650</u>

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

MORRIS COUNTY, KANSAS

Statement 3-18

Bond and Interest
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Tax	\$ 0	\$ 0	\$ 0	\$ 0
Delinquent Tax	380	901	0	901
Motor Vehicle Tax	0	0	0	0
Recreational Vehicle Tax	0	0	0	0
16/20M Vehicle Tax	0	0	0	0
Total Cash Receipts	<u>380</u>	<u>901</u>	<u>0</u>	<u>901</u>
Expenditures				
Interest	0	0	0	0
Principal	0	0	0	0
Transfer to general	0	0	0	0
Total Expenditures	<u>0</u>	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	380	901		
Unencumbered Cash, January 1	<u>27,321</u>	<u>27,701</u>		
Unencumbered Cash, December 31	<u>\$ 27,701</u>	<u>\$ 28,602</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-19

Hospital Revenue Bond
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Morris County Hospital	\$ 68,370	\$ 65,281	\$ 68,920	\$ (3,639)
Expenditures				
Interest	40,931	40,006	35,900	(4,106)
Principal	20,000	25,000	25,000	0
Transfer to Public Building Commission for debt	0	69,493	0	(69,493)
Total Expenditures	60,931	134,499	\$ 60,900	\$ (73,599)
Receipts Over (Under) Expenditures	7,439	(69,218)		
Unencumbered Cash, January 1	61,779	69,218		
Unencumbered Cash, December 31	\$ 69,218	\$ 0		

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

MORRIS COUNTY, KANSAS

Statement 3-20

Solid Waste Disposal
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
User Fees	\$ 236,095	\$ 242,936	\$ 240,000	\$ 2,936
Sale of scrap & commodities	55,479	118,408	23,000	95,408
Total Cash Receipts	<u>291,574</u>	<u>361,344</u>	<u>263,000</u>	<u>98,344</u>
Expenditures				
Transfer Station				
Personal Service	38,450	37,588	43,181	5,593
Commodities	2,303	3,405	3,500	95
Contractual	152,153	146,334	145,000	(1,334)
Capital Outlay	0	0	30,000	30,000
Recycling Center				
Personal Service	71,735	75,059	73,762	(1,297)
Commodities	14,501	25,271	22,500	(2,771)
Contractual	4,248	4,168	17,000	12,832
Capital Outlay	44,624	0	52,225	52,225
Total Expenditures	<u>328,014</u>	<u>291,825</u>	<u>\$ 387,168</u>	<u>\$ 95,343</u>
Receipts Over (Under) Expenditures	(36,440)	69,519		
Unencumbered Cash, January 1	341,358	304,918		
Prior year cancelled encumbrance	<u>0</u>	<u>4,624</u>		
Unencumbered Cash, December 31	<u>\$ 304,918</u>	<u>\$ 379,061</u>		

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

MORRIS COUNTY, KANSAS

Statement 3-21

Expendable Trust Funds
 Statement of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011

	Law Library	Prose- cuting Attorney	County Attorney Worthless Checks	Treasurer's Special Auto
Cash Receipts				
Intergovernmental-				
C.D.B.G. Grand Funds	\$ 0	\$ 0	\$ 0	\$ 0
Rural Water District reimbursement	0	0	0	0
Fees	<u>3,681</u>	<u>427</u>	<u>10</u>	<u>56,130</u>
Total Cash Receipts	<u>3,681</u>	<u>427</u>	<u>10</u>	<u>56,130</u>
Expenditures				
Program expenditures	8,075	48	0	27,178
Prior year fees to general fund per statute	<u>0</u>	<u>0</u>	<u>0</u>	<u>38,518</u>
Total Expenditures	<u>8,075</u>	<u>48</u>	<u>0</u>	<u>65,696</u>
Receipts Over (Under) Expenditures	(4,394)	379	10	(9,566)
Unencumbered Cash, January 1	<u>4,984</u>	<u>2,718</u>	<u>427</u>	<u>47,561</u>
Unencumbered Cash, December 31	<u>\$ 590</u>	<u>\$ 3,097</u>	<u>\$ 437</u>	<u>\$ 37,995</u>

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

MORRIS COUNTY, KANSAS

Statement 4

Statement of Cash Receipts and Cash Disbursements
 Agency Funds
 For the Year Ended December 31, 2011

Fund	Cash	Cash	Cash	Cash
	Balance Jan. 1, 2011	Receipts	Disbursements	Balance Dec. 31, 2011
Alcohol and Drug Program	\$ 4,152	\$ 2,688	\$ 4,906	\$ 1,934
Court Trustee Fees	5,996	0	0	5,996
District Court	17,408	351,578	351,483	17,503
Sales Tax Collections	0	152,421	152,421	0
Drivers License	0	24,380	24,380	0
Payroll Withholding	0	217,873	217,823	50
Fish and Game Licenses	193	6,179	5,912	460
State Motor Vehicle Fees	0	407,341	407,341	0
Fees and Permits	0	2,853	2,853	0
Stray Animal Sale	1,552	232	1,661	123
Sheriffs Fees	0	2,117	1,798	319
Tax Collections	5,568,722	10,065,728	9,901,423	5,733,027
State Building Funds	0	105,538	105,541	(3)
Schools	328	3,392,572	3,392,900	0
Cities	0	1,031,919	1,023,385	8,534
Townships	0	27,155	26,814	341
Cemeteries	801	72,070	72,060	811
Special districts	21,802	387,195	396,585	12,412
Total	<u>\$ 5,620,954</u>	<u>\$ 16,249,839</u>	<u>\$ 16,089,286</u>	<u>\$ 5,781,507</u>

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

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of these statutory financial statements:

1. Reporting Entity

Morris County, Kansas is a municipal corporation governed by an elected three member commission. Morris County provides the following services as authorized by Kansas statutes: assessment, collection and distribution of property taxes for itself and other governmental entities within the county, public safety, highway and roads, sanitation, health and social services, culture, recreation, public improvements, planning and zoning, and general administrative services.

These financial statements present the primary government only of Morris County, Kansas. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In evaluating how to define the County, for financial reporting purposes, management has not considered any potential component units for inclusion in the financial statements. The basic criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations include but are not limited to the ability to exercise oversight, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the County is able to exercise oversight responsibility.

The following schedule shows the amount of property tax distributions to potential component units and joint ventures during 2011. The amounts of general obligation bond payments made for the benefit of Morris County Hospital are not included.

<u>Entity</u>	
Morris County Fair Board	\$26,500
Morris County Conservation	25,000
Services for Elderly – Senior Citizens Center	63,745
Greater Morris County Development Corp	18,510
Chamber of Commerce/Tourism	14,500
Public Transportation	10,000
Juvenile Detention Center	44,471
Mental Health Center of East Central Kansas	35,375
Morris County Hospital – Maintenance	127,490
Morris County Hospital – Health Department	103,745
Morris County Hospital – Ambulance	135,745
Public Building Commission	69,493

2. Fund Accounting

The accounts of the County are organized on the basis of funds. A fund is defined as an independent fiscal and accounting entity with self-balancing accounts recording cash and other financial resources, together with all related liabilities and fund equities, and changes therein. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following types of funds comprise the financial activities of the County:

Governmental Funds:

General Fund—The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

2. Fund Accounting (Cont)

Governmental Funds(Cont):

Special Revenue Funds—Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditure for specified purposes.

Debt Service Funds—Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Proprietary Funds:

Enterprise Funds—Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Funds:

Trust & Agency Funds—Trust and Agency Funds are used to account for assets held by the County in a trustee or agent capacity. Expendable Trust Funds account for financial activity in essentially the same manner as governmental funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

3. Reimbursements

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

4. 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 the 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 recorded 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 municipality to use the statutory basis of accounting.

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

5. 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 non-cash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, long-term debt such as general obligation or revenue bonds, temporary notes, capital leases, compensated absences, and any other long-term debt are not presented in the financial statements.

NOTE 2 – 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:

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

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 were no such amendments this year.

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 municipality 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 of expenditure is not required for capital project, fiduciary funds, and the following special revenue funds: Sheriff Drug Forfeiture and Drug Seizure, Register of Deeds Technology Fund, Capital Improvement Reserve, and the Equipment Reserve Funds.

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

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 3 – DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Government. 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. Morris County has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government'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. Morris 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 Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. State statutes require the Government'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%. Morris County designated two sixty-day "peak periods" for 2011 beginning May 1st and November 20th. All deposits were legally secured at December 31, 2011.

At December 31, 2011, the County's carrying amount of deposits was \$7,027,353 and the bank balance was \$7,057,013. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$635,793 was covered by federal depository insurance and \$4,702,849 was collateralized with securities held by the pledging financial institutions' agents in Morris County's name, and the balance of \$1,718,371 was unsecured under a designated peak period agreement.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counter party, the Government 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.

As of December 31, 2011, the County had invested \$3,000,024 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 Kansas State Treasurer and four additional members appointed by the Kansas 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 US government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 4 – PROPERTY TAXES

Based on budgets certified to the County Clerk from Municipal entities within the county and the County's own budget, the county clerk spreads the annual assessment onto the tax rolls and levies property tax on November 1 of each year. The property tax is payable in two installments. The first installment is due December 20 of the same year. The second installment is due May 10 of the subsequent year. The county collects and distributes the property taxes. In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the following year's operations.

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 5 – LONG-TERM DEBT

Revenue Bond

Morris County issued \$1,000,000 of revenue bonds dated October 22, 2002 by County Resolution. The bond proceeds were used to pay a portion of the cost of improving the Morris County Hospital pursuant to K.S.A. 19-4616 and 19-4617. The bonds were sold on a negotiated basis to the United States Department of Agriculture, Rural Development. The bonds carried an interest rate of 4.625% and were scheduled to mature on October 22, 2032. The principal and interest on the bonds were payable solely from revenues from the operations of the Morris County Hospital. The Morris County Hospital remitted sufficient funds to Morris County for payment of the bond principal and interest payments and required bond reserves. The Morris County Hospital remitted \$535 per month to the County for bond reserve requirements until November 2010. In December 2011, the County called the bonds and the remaining balance was paid.

Caterpillar 930G Lease

On March 3, 2009, the County leased a Caterpillar 930 G Wheel Loader. Nine semi-annual payments are scheduled beginning March 3, 2009 from the Road and Bridge Fund.

Compensated Absences

Compensated absences consist of amounts owing by the County to its employees for accumulated sick and vacation leave which is payable even on termination of employment depending on the circumstance of departure. Amounts are paid from the respective fund that correlated with the employee's duties.

MORRIS COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2011

NOTE 5 - LONG TERM DEBT (CONT)

Changes in long term liabilities for the County for the year ended December 31, 2011 are as follows:

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Payable January 1</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance Payable December 31</u>	<u>Interest Paid</u>
Revenue Bonds:										
Hospital Revenue Bond	4.625%	10/22/2002	\$ 1,000,000	10/22/2032	\$ 865,000	\$ 0	\$ 865,000	\$ 0	\$ 0	\$ 50,756
Capital Leases:										
Caterpillar 930G Lease	3.15%	3/3/2009	83,015	3/13/2013	46,089	0	18,669	0	27,420	1,305
Total Contractual Indebtedness					911,089	0	883,669	0	27,420	52,061
Compensated absences					39,977	0	0	(2,358)	37,619	0
Total long term debt					\$ 951,066	\$ 0	\$ 883,669	\$ (2,358)	\$ 65,039	\$ 52,061

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 5 - LONG TERM DEBT (CONT)

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
Principal						
Caterpillar 930G lease	<u>19,261</u>	<u>8,159</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,420</u>
Total Principal	19,261	8,159	0	0	0	27,420
Interest						
Caterpillar 930G lease	<u>712</u>	<u>127</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>839</u>
Total Interest	<u>712</u>	<u>127</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>839</u>
Total Principal and Interest	<u>\$ 19,973</u>	<u>\$ 8,286</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 28,259</u>

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 6 – TRANSFERS

During 2011, the County transferred monies between funds as allowed by applicable Kansas statutes. The following schedule details transfers made.

Transferred from:	Transferred to:	Statute	Amount
General	Equipment Reserve	19-119	\$ 338,518

NOTE 7 - DEFINED BENEFIT PENSION PLAN

Plan Description – Morris County, Kansas participates in 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) or by calling 1-888-275-5737.

Funding Policy - K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% or 6% of covered salary depending on eligibility date. Member-employee's contributions are withheld by their employer and paid to KPERS 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 2011 was 7.74%, with a moratorium of 1% for April through June. The County's contributions to KPERS for the years ending December 31, 2011, 2010, and 2009, were \$116,764, \$107,006, and \$86,766, respectively, equal to the required contributions for each year.

NOTE 8 - FRINGE BENEFITS AND COMPENSATED ABSENCES

The County's policies regarding vacation and sick pay permit full time employees to accumulate a maximum of ten days vacation time per year. Full-time employees receive one hour of vacation and sick leave time for each forty hours of time paid for the first two years of continuous employment. At the end of the second year, full-time employees receive two hours of vacation and sick leave time for each forty hours of paid time. Ten days of unused vacation may be carried over to the next year and a maximum of 120 days sick leave may be accumulated. Upon retirement only, an employee will be compensated for 10% of annual sick leave accumulated and for any unused accrued vacation time. All full-time employees are entitled to two days funeral leave per calendar year with pay. Morris County also has provisions for other types of leave as follows: maternity, paternity, military, leave of absence, juror or other service.

The County also provides a single coverage health insurance benefit for each full-time employee. During 1992, the County adopted an Internal Revenue Code Section 125 plan. 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.

The Board of County Commissioners establishes the County policies concerning compensated absences. Benefits are paid from the fund corresponding with the employee's duties. The County does not have any other post employment or termination benefits.

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 9 – HEALTH DEPARTMENT AND AMBULANCE SERVICE

The County transferred the operation and management of the County Health Department to the Morris County Hospital in August 1993. The County will continue to levy a property tax for support of the Health Department, which will be distributed to the Hospital.

In addition, the County transferred the operation and management of the County Ambulance Department to the Morris County Hospital on September 1, 1994. The County will continue to levy a property tax for support of the Ambulance department, which will be distributed to the Hospital.

NOTE 10 – MUNICIPAL GROUP FUNDED INSURANCE POOLS

Morris County joined the Kansas County Association Multi-Line Pool (KCAMP) and the Kansas Workers Risk Cooperative for Counties (KWORC) municipal group funded pools in September 2002 under the authority of the Kansas Municipal Group-Funded Pool Act K.S.A. 75-2616, et seq. as amended, the Interlocal Cooperation Act, K.S.A. 12-2901 et seq., as amended, and the Kansas Tort Claims Act, K.S.A. 75-6101, et seq., as amended.

Morris County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has been unable to obtain workmen's compensation, property, liability, errors, omissions, crime, and surety 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 KCAMP and KWORC risk pools currently operating as a common risk management and insurance program for the KWORC and KCAMP participating members.

Morris County pays an annual premium to KCAMP and KWORC for its workmen's compensation, property, liability, errors, omissions, crime, and surety insurance. The agreement to participate provides that KCAMP and KWORC will be self-sustaining through member premiums and will reinsure through commercial companies for excess claim levels per insured event. KWORC carries specific excess insurance, which pays all amounts exceeding \$350,000. In addition, KWORC carries aggregate excess insurance, which provides coverage should the pool experience losses in excess of the 125% of the audited premium during any policy year. KCAMP carries specific excess insurance to protect the pool from a single catastrophic loss.

Morris County may be required to make contributions in addition to the annual member contribution from time to time to keep the pools financially sound, if total claims for the pools are different than what has been anticipated by the pool's management. Morris County would only be responsible for additional contributions to the pool to cover claims, which were incurred in years in which the County was a member of the pool and expenses related thereto.

KWORC has not assessed any amounts in addition to the annual contribution from member counties since its inception in 1992. KCAMP has not assessed any amounts in addition to the annual contribution from member counties since its inception in 1991.

NOTE 11 - COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports and legal representatives of the municipality.

Budget Authority K.S.A. 79-2935

Expenditures in the Hospital Bond fund exceeded the adopted budget. The bonds were redeemed and the remaining balance in the fund was applied to the redemption.

Management is not aware of any other items of noncompliance with Kansas statutes

MORRIS COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE 12 – MORRIS COUNTY FAIR ASSOCIATION

During 2000, Morris County provided \$15,000 to the Morris County Fair Association to construct a new 4-H livestock building at the Morris County Fairgrounds, which is owned by Morris County. The Fair Association leased the new 4-H livestock building from the County at \$3,000 per year for a period of five years and \$1 per year thereafter until 2099.

During 2006, Morris County provided \$22,350 to the Fair Association for expansion of the community building at the Fairgrounds. The Fair Association reimbursed the County over a five year period with the last payment being received in 2011.

NOTE 13 – PRIOR YEAR INFORMATION

The amounts shown for 2010 in the financial statements are included, where practicable, only to provide a basis for comparison with 2011, and are not intended to present all information necessary for a fair presentation in accordance with the cash basis and budget laws of Kansas. Interfund eliminations have not been made in the aggregation of this data.

NOTE 14 – DONATED SERVICES – MORRIS COUNTY DISTRICT COURT

Morris County is a member of the 8th Judicial District which includes the counties of Dickinson, Geary and Marion. Court personnel are hired and compensated by the State of Kansas Judicial Branch. Morris County does not recognize the value of these services or record the expenditure for court personnel compensation in its financial statements. Various other costs of the court are shared by the participating counties. Morris County recognizes its six percent share of these costs in its financial statements. Morris County also recognizes the Morris County courthouse facility costs for the court in its financial statements.

NOTE 15 – PUBLIC BUILDING COMMISSION

The County created a public building commission (PBC) under K.S.A. 12-1757 during 2011 for the purpose of issuing debt for the planned expansion of the Morris County Hospital (MCH). The County commissioners comprise the PBC board. Bonds were issued by the PBC in the amount of \$2,000,000. The bond proceeds of \$1,994,269 and \$69,493 of County funds were used to refund the remaining Series A2002 county bond issue principal of \$840,000, Series A2002 interest of \$10,750, and \$1,157,218 for the expansion project with the remaining proceeds being used for bond costs and interest. The state of Kansas received the payment for the bonds in December 2011 from the PBC and in January 2012 the bonds were paid.

The County entered into a base lease with MCH and the PBC to lease land. It is the intention of all parties (Public Building Commission, Morris County, and the Morris County Hospital) that payments for the PBC bonds are to be made out of MCH revenue. If MCH revenues are insufficient to make the required payments, the County reserves the right to deduct the amount of deficiency from ad valorem property tax appropriations otherwise payable to MCH. As of December 31, 2011, the outstanding balance of the PBC's bonds was \$2,000,000.

MORRIS COUNTY, KANSAS

Schedule A – Detailed General Fund Cash Receipts – Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem Property Tax	\$ 1,195,825	\$ 1,527,542	\$ 1,506,868	\$ 20,674
Delinquent Tax	12,023	30,798	0	30,798
Motor Vehicle Tax	103,713	114,071	125,595	(11,524)
Recreational Vehicle Tax	2,937	2,866	3,551	(685)
Mineral Production Tax	1,403	1,490	0	1,490
Excise	5	76	0	76
16/20M Vehicle Tax	9,758	8,900	9,303	(403)
Guest Tax	15,503	15,201	14,000	1,201
Penalty and Interest	29,452	35,651	15,000	20,651
Total Taxes	<u>1,370,619</u>	<u>1,736,595</u>	<u>1,674,317</u>	<u>62,278</u>
Intergovernmental Receipts				
Sales Tax	366,122	371,193	320,000	51,193
Emergency Preparedness	0	12,258	0	12,258
Flood Control	0	581	0	581
Federal Share - Lake Patrol	16,374	16,013	15,000	1,013
Total Intergovernmental Receipts	<u>382,496</u>	<u>400,045</u>	<u>335,000</u>	<u>65,045</u>
Licenses and Fees				
Mortgage Registration Fees	47,523	45,185	45,000	185
Officers Fees	39,276	37,639	35,000	2,639
Miscellaneous Fees	613	620	0	620
Total Licenses and Fees	<u>87,412</u>	<u>83,444</u>	<u>80,000</u>	<u>3,444</u>
Use of Money and Property				
Interest on Investments	15,728	8,748	20,000	(11,252)
Prisoner Care	1,025	1,325	0	1,325
Leased Lands	5,351	5,355	4,750	605
Photocopy and Fax	2,976	3,670	1,500	2,170
Total Use of Money and Property	<u>25,080</u>	<u>19,098</u>	<u>26,250</u>	<u>(7,152)</u>
Reimbursed Expenditures	<u>547,581</u>	<u>19,737</u>	<u>0</u>	<u>19,737</u>
Treasurer Special Auto Fees	<u>44,391</u>	<u>47,561</u>	<u>45,000</u>	<u>2,561</u>
Total Cash Receipts	<u>\$ 2,457,579</u>	<u>\$ 2,306,480</u>	<u>\$ 2,160,567</u>	<u>\$ 145,913</u>

See accompanying auditors' report.
 The notes to the financial statements are an integral part of this schedule.

MORRIS COUNTY, KANSAS

Schedule B – Detailed General Fund Expenditures – Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Expenditures				
County Commission				
Personal Services	\$ 43,570	\$ 44,627	\$ 46,410	\$ 1,783
Commodities	0	12	200	188
Contractual Services	5,321	4,570	6,500	1,930
Capital Outlay	0	0	0	0
Total County Commission	48,891	49,209	53,110	3,901
County Clerk				
Personal Services	79,494	80,739	85,170	4,431
Commodities	95	107	2,500	2,393
Contractual Services	1,484	2,334	2,250	(84)
Capital Outlay	0	0	1,250	1,250
Total County Clerk	81,073	83,180	91,170	7,990
County Treasurer				
Personal Services	78,180	80,984	78,000	(2,984)
Personal Services-State Auto	9,145	9,042	0	(9,042)
Commodities	667	2,274	2,650	376
Contractual Services	5,440	4,667	6,900	2,233
Capital Outlay	849	0	3,250	3,250
Total County Treasurer	94,281	96,967	90,800	(6,167)
County Attorney				
Personal Services	85,051	88,711	88,920	209
Commodities	3,986	4,774	4,000	(774)
Contractual Services	13,390	17,244	8,500	(8,744)
Capital Outlay	0	1,737	2,000	263
Total County Attorney	102,427	112,466	103,420	(9,046)
Register of Deeds				
Personal Services	52,971	54,039	60,180	6,141
Commodities	2,091	1,664	1,800	136
Contractual Services	4,223	6,633	7,000	367
Capital Outlay	0	0	500	500
Total Register of Deeds	59,285	62,336	69,480	7,144
Courthouse - General Expense				
Personal Services	47,125	48,791	46,665	(2,126)
Commodities	21,628	16,888	365,000	348,112
Contractual Services	302,287	330,287	250,996	(79,291)
Capital Outlay	480,180	0	10,000	10,000
Total Courthouse - General	851,220	395,966	672,661	276,695
District Court				
Commodities	5,897	8,475	4,100	(4,375)
Contractual Services	25,957	20,626	31,818	11,192
Capital Outlay	0	6,207	0	(6,207)
Total District Court	31,854	35,308	35,918	610
Balance Forward	\$ 1,269,031	\$ 835,432	\$ 1,116,559	\$ 281,127

See accompanying auditors' report.
 The notes to the financial statements are an integral part of this schedule.

MORRIS COUNTY, KANSAS

Schedule B – Detailed General Fund Expenditures – Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Expenditures - Balance Forward	\$ 1,269,031	\$ 835,432	\$ 1,116,559	\$ 281,127
Election				
Personal Services	12,683	14,434	14,400	(34)
Commodities	517	873	3,500	2,627
Contractual Services	24,320	7,812	26,000	18,188
Capital Outlay	0	5,000	7,600	2,600
Total Election	37,520	28,119	51,500	23,381
Dispatching Department				
Personal Services	124,235	129,557	144,080	14,523
Commodities	36	13	500	487
Contractual Services	503	75	2,500	2,425
Capital Outlay	1,450	0	1,800	1,800
Total Dispatching Department	126,224	129,645	148,880	19,235
Sheriff				
Personal Services	239,275	252,238	227,100	(25,138)
Commodities	44,030	44,961	51,660	6,699
Contractual Services	26,078	28,677	37,842	9,165
Capital Outlay	1,989	9,261	4,000	(5,261)
Total Sheriff	311,372	335,137	320,602	(14,535)
Jail				
Personal Services	35,409	35,895	47,260	11,365
Commodities	17,447	12,149	21,000	8,851
Contractual Services	52,050	73,449	77,777	4,328
Capital Outlay	1,551	0	3,500	3,500
Total Jail	106,457	121,493	149,537	28,044
Emergency Preparedness				
Personal Services	14,300	15,912	16,065	153
Commodities	22,471	3,884	1,500	(2,384)
Contractual Services	2,441	13,771	1,500	(12,271)
Capital Outlay	0	0	0	0
Total Emergency Preparedness	39,212	33,567	19,065	(14,502)
Juvenile Detention				
Personal Services	0	0	0	0
Commodities	0	6	0	(6)
Contractual Services	15,240	43,957	35,000	(8,957)
Capital Outlay	0	0	0	0
Total Juvenile Detention	15,240	43,963	35,000	(8,963)
Balance Forward	\$ 1,905,056	\$ 1,527,356	\$ 1,841,143	\$ 313,787

See accompanying auditors' report.
 The notes to the financial statements are an integral part of this schedule.

MORRIS COUNTY, KANSAS

Schedule B – Detailed General Fund Expenditures – Actual and Budget
 For the Year Ended December 31, 2011
 With Comparative Actual Totals for the Prior Year Ended December 31, 2010

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Expenditures - Balance Forward	\$ 1,905,056	\$ 1,527,356	\$ 1,841,143	\$ 313,787
Appropriations				
Fair Premium	4,000	4,000	4,000	0
Fair Buildings	22,500	22,500	22,500	0
Conservation	19,000	25,000	25,000	0
Extension Council	102,642	0	0	0
Services for the Elderly	63,076	63,745	63,745	0
Industrial Development	18,510	18,510	18,510	0
Tourism	14,500	14,500	14,500	0
Public Transportation	10,000	10,000	10,000	0
Historical Society	5,813	5,813	5,813	0
Rural Lakes Region	0	3,000	3,000	0
Total Appropriations	260,041	167,068	167,068	0
Transfers				
Transfer to Capital Improvement	0	0	0	0
Transfer to Equipment Reserve	253,246	338,518	340,000	1,482
Total Transfers	253,246	338,518	340,000	1,482
Adjustments for Qualifying Budget Credits	0	0	0	0
Total Expenditures	\$ 2,418,343	\$ 2,032,942	\$ 2,348,211	\$ 315,269

See accompanying auditors' report.
 The notes to the financial statements are an integral part of this schedule.

MORRIS COUNTY, KANSAS

Schedule C - Reconciled 2010 Tax Roll
For the Year Ended December 31, 2011

Tax Roll Abstract:	
Ad Valorem	\$ 8,741,888
Specials	244,725
16/20M	50,999
Subsequent Adjustments:	
Added Tax	1,853
Abated	(60,520)
Tax sale-uncollected tax	<u>0</u>
Total to be Accounted for	<u>\$ 8,978,945</u>
Tax Roll Collections:	
2011 Collections	\$ 3,569,851
2010 Collections	5,232,133
Uncollected Tax:	
Real Estate Redemptions	144,480
Personal Property Tax Warrants	30,107
Tax sale write-off	<u>2,374</u>
Total Accounted for	<u>\$ 8,978,945</u>

See accompanying auditors' report.
The notes to the financial statements are an integral part of this schedule.