

# ***Sumner County, Kansas***

## **Annual Financial Report**

*December 31, 2011*

### **County Commission**

*Jim Newell*

*Cliff Bales*

*Steve Warner*

### **County Clerk**

*Debra Norris*

### **County Treasurer**

*Carolyn Heasty*

### **Independent Auditor**

***Kenneth L Cooper Jr CPA, Chtd.***

**Certified Public Accountant**

*Wellington, Kansas*

***Sumner County, Kansas***  
**Statutory Basis Financial Statements**  
*Year Ended December 31, 2011*

**TABLE OF CONTENTS**

	<u>Page</u>
Independent Auditor's Report.....	1-3
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	4-5
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on A Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 .....	6-7
Statement 1	
Summary of Cash Receipts, Expenditures and Unencumbered Cash .....	8-10
Notes to the Financial Statements .....	11-22
Schedule 1	
Summary of Expenditures – Actual and Budget.....	23
Schedule 2	
Schedule of Cash Receipts and Expenditures - Actual and Budget	
General Fund.....	24-29
Special Revenue Funds	
Road and Bridge.....	30
Special Bridge .....	31
Special Road and Bridge.....	32
Agricultural Complex Bond & Interest .....	33
4-H Club .....	34
Fair Association Building .....	35
County Fair .....	36
Health.....	37
Casino Application.....	38
Lake.....	39
Soil Conservation.....	40
Election.....	41
Noxious Weeds .....	42
Ambulance .....	43
Employee Benefits.....	44

***Sumner County, Kansas***  
**Statutory Basis Financial Statements**  
*Year Ended December 31, 2011*

**TABLE OF CONTENTS (Continued)**

County Extension Council .....	45
Mental Health.....	46
Community College Tuition.....	47
Appraiser’s Cost.....	48
Futures Unlimited.....	49
Economic Development .....	50
Service Program for the Elderly.....	51
Tort Liability .....	52
Special Highway Improvement.....	53
Futures Unlimited Building .....	54
Concealed Carry Fees .....	55
Special Parks and Recreation.....	56
Special Alcohol Program .....	57
Local Environment Protection Grant.....	58
911 Wireless.....	59
Sheriff’s Technology Grant.....	60
2010 911 Wireless .....	61
Community Corrections .....	62
Work Release .....	63
Reappraisal.....	64
Sanitary Landfill .....	65
911 Emergency Phone System.....	66
Capital Improvement.....	67
Sheriff Asset Forfeiture .....	68
Federal Equitable Sharing.....	69
2010 911 Wire Line.....	70
Sex Offender Fee.....	71
No Fund Warrant .....	72
Inmate Phone System .....	73
Equipment Reserve .....	74
County Cemetery .....	75
Dare Program.....	76
Juvenile Justice.....	77
EMA/CERT .....	78
County Attorney Asset Forfeiture.....	79
War Memorial.....	80
Slate Valley Sewer .....	81
Local Emergency Planning .....	82
Neighborhood Revitalization.....	83

***Sumner County, Kansas***  
**Statutory Basis Financial Statements**  
*Year Ended December 31, 2011*

**TABLE OF CONTENTS (Continued)**

Special Emergency Response Team .....	84
Donations for Drug Dog .....	85
Register of Deeds Technology .....	86
Sales Tax Revenue-Detention Center .....	87
Sales Tax Revenue-Health Care .....	88
Bio-Terrorism Grant .....	89
Pan Flu Grant .....	90
Cities Readiness Grant .....	91
Auto License Fee.....	92
Debt Service Funds	
Bond and Interest .....	93
Capital Projects Funds	
Jail Construction .....	94
Expendable Trust Funds	
Prosecuting Attorney Trainee .....	95
Peck Improvement District .....	96
Self-Funded Medical Insurance .....	97
Schedule 3	
Summary of Cash Receipts and Cash Disbursements-Agency Funds.....	98
Schedule 4—Schedule of Expenditures of Federal Awards.....	99
Notes to Schedule of Expenditures of Federal Awards.....	100
Schedule 5—Summary Schedule of Prior Audit Findings.....	101
Schedule 6—Schedule of Findings and Questioned Costs.....	103

KENNETH L COOPER JR CPA, CHTD  
*Certified Public Accountant*

Independent Auditor's Report

Sumner County Commission  
501 North Washington  
Wellington, Kansas

I have audited the accompanying primary government financial statement of cash receipts, expenditures and unencumbered balances of Sumner County, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of Sumner County's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

The financial statements do not include financial data for the County's legally separate, discretely presented 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 unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. Because of this departure from accounting principles, the cash and unencumbered cash, revenues received and expenditures incurred by the aggregate discretely presented component units have been omitted from this statement, and although not reasonably determinable, are presumed to be material.

As described more fully in Note 1, the County has prepared this financial statement 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 statement of the variances between these regulatory practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In my opinion, because of the effects of the matters discussed in the preceding two paragraphs, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County as of December 31, 2011, the changes in its financial position, or, where applicable, its cash flows for the year then ended.

In my opinion, the primary government financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of Sumner County, Kansas, as of December 31, 2011, and the aggregated cash receipts and expenditures for the year then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, I have also issued my report dated November 16, 2012 on my consideration of Sumner County's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the 2011 primary government financial statement. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, schedule of cash receipts and cash disbursements-agency funds (Schedules 1-3 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statement. The accompanying schedule of expenditures of federal awards (Schedule 4) is presented for purposes of additional analysis, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the primary government financial statement. Such information is the responsibility of management and the 2011 supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statement. The 2011 information has been subjected to the auditing procedures applied in the audit of the 2011 primary government financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statement or to the 2011 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the 2011 primary government financial statement taken as a whole. Sumner County's responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs (Schedule 6) and have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on them.

The 2010 Actual columns presented in the individual fund schedules of cash receipts and expenditures-actual and budget are also presented for comparative analysis and are not a required part of the 2010 financial statements upon which I rendered an unqualified opinion dated January 5, 2012. The 2010 financial statements and my accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2010 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2010 financial statements. The 2010 comparative information was subjected to the auditing procedures applied in the audit of the 2010 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2010 financial statement or to the 2010 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the 2010 comparative information is fairly stated in all material respects in relation to the 2010 financial statements as a whole.

  
Certified Public Accountant

November 16, 2012

**KENNETH L COOPER JR CPA, CHTD**  
*Certified Public Accountant*

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

Sumner County Commission  
501 North Washington  
Wellington, Kansas

I have audited the primary government financial statement prepared on the regulatory basis of accounting of Sumner County, Kansas as of and for the year ended December 31, 2011, and have issued my report thereon dated November 16, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit Guide*.

Internal Control Over Financial Reporting

Management of Sumner County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit, I considered Sumner County, Kansas' internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sumner County, Kansas' internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Sumner County, Kansas' internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, I identified certain deficiencies in internal control over financial reporting that I consider to be material weaknesses and another deficiency I consider to be a significant deficiency.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. I consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: Item 2011-1, 2011-2 and 2011-5.

*A significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency: Item 2011-6.

Compliance and Other Matters

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

I noted certain matters that I reported to management of Sumner County, Kansas in a separate letter dated November 16, 2012.

Sumner County's responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit Sumner County's responses and, accordingly, I express no opinion on the responses.

This report is intended solely for the information and use of management, the County Commission, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

 Kenneth Wagner, CPA, CMAA  
Certified Public Accountant

November 16, 2012

**KENNETH L COOPER JR CPA, CHTD**  
*Certified Public Accountant*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

Sumner County Commission  
501 North Washington  
Wellington, Kansas

Compliance

I have audited the compliance of Sumner County, Kansas, with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Sumner County's major federal programs for the year ended December 31, 2011. Sumner County, Kansas' major program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Sumner County, Kansas' management. My responsibility is to express an opinion on Sumner County, Kansas' compliance based on my audit.

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

In my opinion, Sumner County, Kansas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2011. However, the results of my auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2011-4.

Internal Control Over Compliance

Management of Sumner County, Kansas is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Sumner County, Kansas' internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine my auditing procedures for the purpose of expressing my opinion on

compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Sumner County, Kansas' internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, I identified certain deficiencies in internal control over compliance that I consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-3. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Sumner County, Kansas' responses to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit Sumner County, Kansas' responses and, accordingly, I express no opinion on the responses.

This report is intended solely for the information and use of management, the Sumner County, Kansas Commission, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
Certified Public Accountant

November 16, 2012

**Sumner County, Kansas**  
**Summary of Cash Receipts, Expenditures and Unencumbered Cash**  
*For the Year Ended December 31, 2011*

Funds	Beginning	Prior Year	Cash		Ending	Add Outstanding	Ending
	Unencumbered	Cancelled	Receipts	Expenditures	Unencumbered	Encumbrances	Cash
	Cash Balance	Encumbrances			Cash Balance	Payable	Balance
General	\$ 819,907	\$ -	\$ 6,075,779	\$ 5,376,545	\$ 1,519,141	\$ 212,806	\$ 1,731,947
Special Revenue Funds:							
Road and Bridge	921,037	1,206	3,343,786	3,494,722	771,307	288,219	1,059,526
Special Bridge	4,288	-	36,024	37,952	2,360	-	2,360
Special Road and Bridge	159	-	73	-	232	-	232
Agric Complex Bond & Int	-	-	28,056	-	28,056	-	28,056
4-H Club	1,360	-	2,828	3,000	1,188	-	1,188
Fair Association Building	755	-	3,208	3,280	683	-	683
County Fair	246	-	4,357	4,500	103	-	103
Health Fund	25,932	-	824,219	808,011	42,140	-	42,140
Casino Application	79,888	-	-	22,388	57,500	-	57,500
Lake Fund	12	-	-	10	2	-	2
Soil Conservation	2,370	-	23,391	23,956	1,805	-	1,805
Election Fund	33,152	-	141,834	137,499	37,487	1,104	38,591
Noxious Weeds	74,438	-	134,657	168,149	40,946	476	41,422
Ambulance	20,688	-	606,056	606,743	20,001	-	20,001
Employee Benefits	192,740	1,260	3,045,188	2,940,618	298,570	1,475	300,045
County Extension Council	5,272	-	150,496	155,768	-	-	-
Mental Health	36,436	-	266,756	273,456	29,736	-	29,736
Community College Tuition	1,174	-	60	883	351	-	351
Appraiser's Cost	9,832	-	372,218	381,712	338	693	1,031
Futures Unlimited	31,897	-	294,912	298,280	28,529	-	28,529
Economic Development	21	-	1	-	22	-	22
Service Program for Elderly	3,884	-	94,280	98,164	-	-	-
Tort Liability	140,466	-	198	763	139,901	-	139,901
Special Highway Improvement	331	-	-	-	331	-	331
Futures Unlimited Building	5,589	-	21,293	21,704	5,178	-	5,178
Concealed Carry Fees	15,435	-	4,100	4,615	14,920	-	14,920
Special Parks and Recreation	6,016	-	415	-	6,431	-	6,431
Special Alcohol Program	57,479	-	12,753	2,700	67,532	-	67,532
Local Environment Protection Grant	8,730	-	6,649	7,343	8,036	80	8,116
911 Wireless	59,526	-	-	54,970	4,556	-	4,556
Sheriff's Technology Grant	-	-	768,050	1,256,250	(488,200)	488,200	-
2010 911 Wireless	22,014	257	45,321	23,594	43,998	-	43,998
Community Corrections	16,783	-	153,792	157,072	13,503	65	13,568
Work Release	34,560	-	15,355	20,666	29,249	2,021	31,270
Reappraisal Fund	11	-	-	-	11	-	11
Sanitary Landfill	113,463	-	-	5,933	107,530	-	107,530
911 Emergency Phone System	30,621	20	-	-	30,641	-	30,641
Capital Improvement	92,352	-	10,273	31,446	71,179	13,819	84,998
Sheriff Asset Forfeiture	3,696	-	418	-	4,114	-	4,114
Federal Equitable Sharing	38,280	-	161,117	12,646	186,751	900	187,651
2010 911 Wire Line	30,524	249	72,518	70,324	32,967	5,773	38,740
Sex Offender Fee	2,560	-	4,015	3,500	3,075	-	3,075
No Fund Warrant	26	-	-	-	26	-	26
Inmate Phone System	9,744	-	22,902	15,917	16,729	1,033	17,762
Equipment Reserve	711,785	-	597,051	210,106	1,098,730	5,661	1,104,391

**Sumner County, Kansas**  
**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
County Cemetery	113,015	150	11,620	3,090	121,695	-	121,695
DARE Program	6,901	269	-	4,454	2,716	-	2,716
Juvenile Justice	45,454	-	246,076	251,271	40,259	150	40,409
EMA/CERT	334	-	5,485	5,485	334	-	334
County Attorney - Asset Forfeiture	3,371	-	190	-	3,561	-	3,561
War Memorial	300	-	-	-	300	-	300
Slate Valley Sewer	9,655	-	16,764	14,047	12,372	-	12,372
Local Emergency Planning	8	-	-	-	8	-	8
Neighborhood Revitalization	(595,113)	-	1,939,979	1,148,689	196,177	-	196,177
Special Emergency Response Team	7,701	-	21,750	19,244	10,207	-	10,207
Donations for Drug Dog	6,073	-	9,975	12,304	3,744	-	3,744
Register of Deeds Technology	25,223	-	59,050	15,199	69,074	-	69,074
Sales Tax Revenue-Detention	8,653,250	-	954,856	9,608,106	-	-	-
Sales Tax Revenue-Health Care	-	-	957,472	47,550	909,922	-	909,922
Bio-Terrorism Grant	39,094	-	24,068	22,866	40,296	-	40,296
Pan Flu Grant	9,958	-	-	-	9,958	-	9,958
Cities Readiness Grant	19,717	-	-	-	19,717	-	19,717
Auto License Fee	45,159	-	198,305	214,333	29,131	-	29,131
Debt Service Funds:							
Bond and Interest	13,806	-	362,740	376,541	5	-	5
Capital Projects Funds:							
Jail Construction	-	-	11,282	11,282	-	-	-
Fiduciary Funds:							
Prosecuting Attorney Trainee	32,097	-	8,263	398	39,962	-	39,962
Peck Improvement District	12,816	-	52,392	47,201	18,007	-	18,007
Self-Funded Medical Insurance	5,999	-	-	-	5,999	-	5,999
<b>Total</b>	<b>\$ 12,120,297</b>	<b>\$ 3,411</b>	<b>\$ 22,224,666</b>	<b>\$ 28,537,245</b>	<b>\$ 5,811,129</b>	<b>\$ 1,022,475</b>	<b>\$ 6,833,604</b>

**Sumner County, Kansas**  
**Summary of Cash Receipts, Expenditures and Unencumbered Cash**  
*For the Year Ended December 31, 2011*

Composition of Cash Balance:

Cash in checking account:		
First National Bank, Wellington, KS	Major checking	\$ 44,918
First National Bank, Wellington, KS	Slate Valley	12,371
First National Bank, Wellington, KS	Special Auto checking	101,010
Bank of Commerce, Wellington, KS	FEMA	342
First National Bank, Wellington, KS	EFT account	495
First National Bank, Wellington, KS	Peck Improvement	17,963
Panhandle Federal Credit Union, Wellington, KS	Credit Union for VISA	6
Bank of Commerce, Wellington, KS	District Court	67,262
Bank of Commerce, Wellington, KS	Law Library	9,651
Cash in savings account:		
First National Bank, Wellington, KS		2,940,150
Cash in certificates of deposit		
Security State Bank, Wellington, KS		2,400,000
Caldwell State Bank, Caldwell, KS		1,200,000
Valley State Bank, Belle Plaine, KS		900,000
Bank of Commerce, Wellington, KS	Law Library	19,307
Cash items		
Cash on hand		5,061
Returned checks held for collection		4,809
Investments		
State of Kansas Municipal Investment Pool		18,095,060
Unreconciled difference		<u>5,769</u>
Total Cash and investments		25,824,174
Agency Funds per Statement 4		<u>(18,990,570)</u>
Total Primary Government (Excluding Agency Funds)		<u>\$ 6,833,604</u>

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **1. Summary of Significant Accounting Policies**

The County has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas.

#### Reporting Entity

Sumner County is a municipal corporation governed by an elected three-member commission. These financial statements present Sumner County (the primary government) but exclude its component units. The County receives funding from local, state, and federal governmental sources and must comply with the restrictions of these funding sources. However, the County is not included in any other "reporting entity" since the Commission is elected by the public and has decision making authority.

*Discretely Presented Component Units.* Under Governmental Accounting Standards Board (GASB) Statement 14, the County has three component units which under the statement would be included in the reporting entity. The financial information of these component units is not included in these financial statements, but the information can be obtained at the offices for each individual component unit.

1. Extension Council - The Sumner County Extension Council provides services in areas such as agriculture, home economics, and 4-H clubs, to all persons in the county. The 24-member extension council is elected by any Sumner County residents of voting age in conjunction with the 4H Banquet. Each year the extension council elects a 9-member executive board to monitor operations. The County annually levies a tax and provides appropriations to support the agency.
2. Council on Aging - The Sumner County Council on Aging provides services to elderly residents of Sumner County. It is governed by 9-person board, one person from each town in the County approved by the Commission after recommendations. The County annually levies a tax and provides appropriations to support the agency.
3. Sumner Mental Health Center – The Sumner Mental Health Center is a fully licensed and accredited community mental health center that provides a full range of psychiatric services providing 24-hour emergency screenings/aftercare, outpatient, consultation education, and alcohol/drug abuse services to the Sumner County area. A seven member Board of Directors governs the Center which is appointed by the Sumner County Commissioners. Sumner County holds title to all real estate of, annually levies an ad valorem tax for the benefit of and makes appropriations to the Center.

#### Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these regulatory 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 inter-fund 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.

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **1. Summary of Significant Accounting Policies (continued)**

#### Statutory Basis of Accounting (continued)

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 Generally Accepted Accounting Principles

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 may 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 bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statement, but instead in the footnotes.

#### Reimbursements

Reimbursed expenditures have been shown as a reduction of total expenditures in several funds for the purposes of budget comparisons. Reimbursed expenditures as defined by K.S.A 79-2934 are reimbursements during the current year of expenditures also made during the current year.

#### Budgets

Applicable Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds and enterprise funds. All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments evidenced by documents such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures.

The statutes provide for the following sequence and timetable in adoption of budgets:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one such budget amendment for 2010.

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **1. Summary of Significant Accounting Policies (continued)**

#### Budgets (continued)

Kansas 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 statutory basis of accounting as described above. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, fiduciary (trust) funds, and the following special revenue fund:

Equipment Reserve Fund.

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

#### Cash and Cash Equivalents

Cash balances pooled from all funds are considered in determining the amount and type of investment, and is credited to the General Fund. Idle funds are invested in Certificates of Deposits at various banks within the county and the Kansas Municipal Investment Pool. These funds are stated at carrying value. The Kansas Municipal Investment Pool account is considered to be a cash equivalent for the County.

#### Property Taxes and Other Receivables

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities with the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year.

State statutes prohibit the County Treasurer from distributing taxes collected the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Licenses, franchises, fees, fines, penalties, charges for services and other revenues are recorded when received in cash.

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **1. Summary of Significant Accounting Policies (continued)**

#### Investments

There were no investments (aside from the cash equivalents in the Kansas Municipal Investment Pool described above) held by Sumner County in 2011.

#### General Fixed Assets

The County does not record capital fixed assets, such as land, building and equipment, in the general fixed assets account group, as required by generally accepted accounting principles. As is required by the statutory basis of accounting, the disbursements for the purchase of these assets are considered as expenditures and fixed assets are not reflected in the financial statements.

#### Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase as required by state statutes.

#### Lease Obligations

Under the statutory basis of accounting, capital lease payments are expensed when paid provided that the lease agreement has the non-appropriation clause required by Kansas statute. The full purchase cost and schedule of future payments of the lease purchase agreements is described in Note 6 – Long Term Debt.

#### Compensated Absences

Vacation leave is earned beginning with the first pay period for full-time employees. Vacation accrues at a rate of 3.75-6.5 hours per pay period depending upon length of service. Vacation may be accumulated year to year up to a maximum of 18-27 days depending upon length of service. No employee may choose to receive pay instead of vacation. Any employee who retires, resigns, discharged for unsatisfactory performance or is laid off will receive pay for the unused vacation earned. Sick pay for full-time employees accumulates at a rate of 3.75 hours per paycheck and accumulates to 400 hours; however, accumulated sick pay is forfeited upon termination. The liability for estimated accrued vacation payable at December 31, 2011 is shown in Note 6 – Long Term Debt.

#### Pension Plan

Substantially all full-time employees are members of the State of Kansas Public Employees' Retirement System, which is a multi-employer statewide pension plan. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually by the System's actuary as further discussed in Note 4.

#### Other Post-Employment Benefits

As provided by K.S. A. 12-5040, the County allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of the applicable premium. The indirect subsidy due to the retiree's higher age has not been computed nor has any liability been recognized under GASB Statement No 45.

#### Risk Management

The County generally covers its risk of loss with insurance coverage. There were no claims this year in excess the amounts of insurance.

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **2. Fund Descriptions**

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following types of funds comprise the financial activities of the County for the year 2011:

#### Governmental Funds

*General Fund* is used to account for all unrestricted resources except those required to be accounted for in another fund.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted, by law or administrative action, to expenditure for specified purposes.

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt of the County.

*Capital Project Funds* are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise funds.

#### Fiduciary Funds

*Trust and Agency Funds* are used to account for the assets held by a governmental unit as trustee or agent for others.

### **3. Cash and Investments**

#### Bank Deposits

The County pools most fund's available cash together for deposit at eligible institutions. Certain funds do maintain their own checking accounts under the county's name. State law 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 Sumner 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. All of the County's funds deposited were deposited at banks within Sumner County.

In addition, State law K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. These securities are held by the following banks within the State of Kansas: the Federal Home Loan Bank of Topeka, UMB National Bank of America in Salina, and Intrust bank of Wichita. The County's deposits are categorized to give an indication of the level of risk assumed by the County at December 31, 2011. The categories are described as follows:

# Sumner County, Kansas

## Notes to Financial Statements

December 31, 2011

### 3. Cash and Investments (continued)

Category 1--Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2--Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3—Uncollateralized

During 2011, securities were pledged by local banks in the County's name with third party trust departments with which the County had custodial agreements, as required by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Therefore, the County's security interest in the collateral was perfected and those deposits have been classified as Category 1 as of December 31, 2011. Deposits, categorized by level of risk, are:

Pooled cash, Category 1	<u>\$26,138,901</u>
Total cash on deposit, primary government	<u>\$26,138,901</u>

#### Kansas Municipal Investment Pool

State law 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. The rating of the County's investment in the Kansas Municipal Investment Pool is noted below along with the balance in the fund at December 31, 2011.

State Municipal Investment (Overnight) Pool – Rating = AA Af/S1+	<u>\$14,795,060</u>
Total Cash Equivalents, Sumner County	<u>\$14,795,060</u>

The Kansas Municipal Investment Pool is a voluntary, State managed investment alternative for State and local funds and is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

### 4. Defined Benefit Pension Plan

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

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

#### **4. Defined Benefit Pension Plan (continued)**

*Funding Policy:* K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. K.S.A. 74-4975 established KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code

State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial basis. State law sets the limitation on annual increases in the employer contribution rates. The KPERS employer rate established for calendar year 2011 was 7.74%. The County employer contributions to KPERS for the years ending December 31, 2011, 2010 and 2009 were \$415,679, \$378,290, and \$316,309, respectively, equal to the required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2011 is 14.57%. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer.

The County contributions to KP&F for the years ending December 31, 2011, 2010 and 2009 were \$125,446, \$116,990 and \$122,528, respectively, equal to the required contributions for each year.

#### **5. Deficit Unencumbered Cash Balances**

The follow individual funds had a deficit (negative) unencumbered cash balance at December 31, 2011: Sheriff's Technology Grant—(\$488,200); Cash Long (Short)—(\$669); Prior Year Refunds—(\$29,127); City of Wellington Tax Funds—(\$1,052); USD 353 Tax Funds—(\$16,342). The Sheriff's Technology Grant funds were reimbursed by a federal grant payment in January, 2012 and is not a cash basis law violation. Tax funds of the City of Wellington and USD 353 were distributed due to an error in apportioning the Neighborhood Revitalization Fund rebates.

**Sumner County, Kansas**  
**Notes to Financial Statements**  
*December 31, 2011*

**6. Long-Term Debt**

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

Issue	Issue Date	Interest Rate	Maturity	Original Amount	Balance 12/31/2010	Additions	Reductions/Payments	Balance 12/31/2011	Interest Paid
<b>State of KS - Sales Tax Rev Bond</b>									
	10/01/2004	3.0%-5.0%	10/01/2024	\$ 9,500,000.00	\$ 7,660,000.00	\$ -	\$ 7,660,000.00	\$ -	\$ 174,250.00
<b>KDHE - Slate Valley Sewer</b>									
State of Kansas Water Pollution Control Revolving Loan Fund									
	04/27/2004	2.71%	03/01/2026	216,300.00	165,464.18	-	8,719.36	156,744.82	4,017.16
							Service fee		408.24
<b>KS Department of Transportation - Belle Plaine Road</b>									
	02/28/2006	3.80%	08/01/2017	3,229,889.87	2,138,001.48	-	295,296.75	1,842,704.73	75,899.06
							Service Fee		5,345.00
<b>Total Long-Term Debt</b>					<b>\$ 9,963,465.66</b>	<b>\$ -</b>	<b>\$ 7,964,016.11</b>	<b>\$ 1,999,449.55</b>	<b>\$ 259,919.46</b>
<b>Capital Leases</b>									
2 JD Graders - Deere Credit	12/15/2007	4.75%	11/15/2012	149,680.15	\$ 63,905.38	\$ -	31,195.45	\$ 32,709.93	\$ 3,102.47
Galion Grader - Komatsu	03/27/2008	4.00%	11/14/2012	145,865.00	60,840.36	-	29,812.99	31,027.37	2,478.73
FNB Sheriff- 4 Chgrs 1 Ram	02/17/2009	4.25%	04/10/2011	102,072.00	34,212.57	-	34,212.57	-	1,203.59
FNB Sheriff -5 Chargers	02/01/2010	5.50%	04/01/2012	167,715.49	109,772.50	-	54,142.96	55,629.54	5,311.80
4 Caterpillar Motor Graders	06/22/2011	3.00%	06/22/2016	496,491.00	-	496,491.00	-	496,491.00	-
<b>Total Capital Leases</b>					<b>\$ 268,730.81</b>	<b>\$ 496,491.00</b>	<b>\$ 149,363.97</b>	<b>\$ 615,857.84</b>	<b>\$ 12,096.59</b>
<b>Compensated Absences</b>					<b>310,798.01</b>	<b>-</b>	<b>-</b>	<b>310,798.01</b>	<b>-</b>
<b>Total Long-Term Liabilities</b>					<b>10,542,994.48</b>	<b>496,491.00</b>	<b>8,113,380.08</b>	<b>2,926,105.40</b>	<b>272,016.05</b>

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

	2012	2013	2014	2015	2016	2017-2021	2022-2026	Total
<b>Principal</b>								
KDHE - Slate Valley Sewer	8,957	9,202	9,453	9,711	9,976	54,112	55,335	156,745
KS DOT - Belle Plaine Road	306,518	318,166	330,256	342,806	355,832	189,127	-	1,842,705
Capital Leases	125,487	6,303	6,493	6,687	470,888	-	-	615,858
<b>Total Principal</b>	<b>440,962</b>	<b>333,671</b>	<b>346,201</b>	<b>359,204</b>	<b>836,696</b>	<b>243,239</b>	<b>55,335</b>	<b>2,615,307</b>
<b>Interest &amp; Service Fees</b>								
KDHE - Slate Valley Sewer	4,188	3,943	3,692	3,434	3,169	11,612	3,816	33,854
KS DOT - Belle Plaine Road	70,023	58,375	46,285	33,735	20,708	7,187	-	236,313
Capital Leases	21,572	14,711	14,522	14,327	14,127	-	-	79,259
<b>Total Interest</b>	<b>95,783</b>	<b>77,029</b>	<b>64,499</b>	<b>51,496</b>	<b>38,004</b>	<b>18,799</b>	<b>3,816</b>	<b>349,427</b>
<b>Total Principal and Interest</b>	<b>536,745</b>	<b>410,700</b>	<b>410,700</b>	<b>410,700</b>	<b>874,700</b>	<b>262,038</b>	<b>59,151</b>	<b>2,964,734</b>

# Sumner County, Kansas

## Notes to Financial Statements

December 31, 2011

### 7. Interfund Transfers

Operating transfers in 2011 were:

<u>From:</u>	<u>To:</u>	<u>Amount:</u>
General	Equipment Reserve	\$ 450,038
Election	Equipment Reserve	5,321
Noxious Weed	Equipment Reserve	26,000
911 Wireless	Equipment Reserve	54,970
Appraiser's Cost	Equipment Reserve	14,777
Special Auto	Equipment Reserve	20,000
Sales Tax-Detention Center	General	919,873
Lake	General	10
Community College Tuition	General	883
Equipment Reserve	General	75,000
Special Auto	General	25,159
Road and Bridge	Bond and Interest	3,507
Equipment Reserve	Health	45,000
Sales Tax-Health	Ambulance	20,000
	Health	27,550

### 8. Commitments

#### Financing Commitment

The County has entered into a loan agreement with the Kansas Department of Health and Environment in the amount of \$216,300 to provide financing for the Slate Valley Sewer District improvement project. Annual payments of \$13,145 are required to repay the loan that started in 2006 and extends through 2025. An inter-local agreement dated June 21, 2004 between the County, the City of Wellington, Kansas and the Slate Valley Estates Sewer District provides for the required annual payments to be collected from the residents of Slate Valley by the City and distributed to the County for the repayment of the loan.

#### Nursing Home Lease

The County has a lease agreement with Wellington Leasehold LLC, dba Deseret Nursing and Rehabilitation providing for leasing of the nursing home facility owned by Sumner County for an annual rental of \$1.00 per year. The term of the agreement is for thirty (30) years beginning on January 1, 2010 during which time the lessee has agreed to make approximately \$2,000,000 of improvements to the facility. The lessee is responsible for all maintenance, insurance, property taxes, utilities and damages with respect to the facility.

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **9. Contingencies**

#### Litigation

The County is a party to various legal proceedings that normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings. While the outcome of these proceedings cannot be predicted, the County feels that any settlement or judgment not covered by insurance purchased by the County would not have a material adverse effect on the financial condition of the County. There have been no significant reductions in insurance coverage in 2011 and there were no settlements that exceeded insurance coverage in the past three years. There were no pending proceedings as of December 31, 2011.

#### Grant Program Involvement

In the normal course of operations, the County participates in various federal or state grant programs from year to year. The programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material. It is not expected that any of its grant proceeds will be required to be repaid.

### **10. Capital Projects Fund**

The County had no capital projects in progress during 2011.

### **11. Compliance with Finance-Related Legal and Contractual Provisions**

#### • Deposits with Financial Institutions

- K.S.A 9-1402 defines the types of securities to be pledged to secure deposits of municipalities. There was an Oklahoma GO Bond pledged for deposits and only Kansas GO Bonds are permitted by this statute; however, bank deposits were adequately secured without taking this security into account.

#### • Outstanding Checks

- K.S.A. 10-815 requires that warrants/checks outstanding for two years or more are canceled and restored to the fund originally charged. Unclaimed payroll checks are considered unclaimed property after one year K.S.A. 58-3935. The County still has checks from 2007, 2008 and 2009 listed as outstanding, including one payroll check from 2008.

#### • Cash Basis Budget Law

- K.S.A. 10-1113 requires that no indebtedness be created in a fund in excess of the available monies in that fund. The following funds of the County were in violation of this law at December 31, 2011: Cash long (short), Prior Year Refunds, City of Wellington and USD 353 Taxing District Funds. The negative balance in the Sheriff's Technology Fund was pending receipt of federal grant monies.

# *Sumner County, Kansas*

## **Notes to Financial Statements**

*December 31, 2011*

### **11. Compliance with Finance-Related Legal and Contractual Provisions (continued)**

- Unclaimed Property

- K.S.A. 58-3934 requires that unclaimed property, with certain exceptions, is required to be turned over to the State Treasurer. There were un-cashed tag & tax refund checks as well as NRP rebate checks voided that should have been turned over as unclaimed property to the State.

- Tax Distributions

- K.S.A. 12-1678a requires that distributions to taxing subdivisions be made timely on specified dates and for the proper amount owed. The tax distribution required to be made by October 31, 2011 was not made until November 15, 2011. In addition, there were small negative amounts that were not properly apportioned for prior year tax refunds and RV taxes.

- Quarterly Statements

- K.S.A. 19-228 & K.S.A. 19-520 requires that the County Treasurer publish quarterly statements showing the balances of County funds and the moneys belonging to other municipalities of the county. The first three quarterly statements were not published by the County Treasurer.

- County Counselor Review of Claims Register

- K.S.A. 19-2687 requires that the County Counselor in counties with populations under 70,000 review and give approval of claims presented for payment prior to disbursement. The Counselor did not review the 2010 Claims Registers until after year end 2010.

- Claims Payment Procedures

- K.S.A. 12-105b and 10-810 provide for internal auditing of claims and approval by the governing body. There were a small number of claims for appropriations to affiliated entities and for grant program expenditures that were not processed using the normal claims payment procedures and were not approved by the governing body.

- Non-allowable Interfund Transfer

- K.S.A. 8-145 provides for the collection from the sale of motor vehicle licenses to be deposited in a separate fund. This fund can be used by the Treasurer for related expenses with any unspent funds at year end required to be transferred to the General Fund. During 2011, \$20,000 was transferred to the Equipment Reserve Fund, which is not explicitly authorized by the statute.

Management is aware of no other statutory violations for the period covered by the audit. However, revenue for the Detention Center (housing fees charged to other entities) has been budgeted and reported as a reimbursement of expenses within the General Fund. If this revenue was classified as charges for services instead of reimbursed expenses, it would not qualify for budget credit and the General Fund expenditures would be over budget. Management is evaluating this issue for possible change in the next budget.

# ***Sumner County, Kansas***

## **Notes to Financial Statements**

*December 31, 2011*

### **12. Debt Defeasance**

On March 28, 2011, the County adopted Resolution No. 2011-13 for defeasance of the 2004 Sales Tax Revenue Bonds listed in Note 6 – Long Term Debt. On April 1, 2011, the County placed \$8,502,701 in escrow with UMB Trust Department for the defeasance with the funds to be used for regularly scheduled payments on the 2004 issue until called 10/1/2014. As of 12/31/11, \$7,275,000 of principal remains outstanding on the 2004 issue. The difference between the amount placed in escrow and the scheduled payments to maturity, or cash flow savings, was \$302,029.

### **13. Subsequent Events**

Subsequent events have been evaluated through November 16, 2012 for possible disclosure in the financial statements. This is also the date the financial statements were available to be issued.

Management is not aware of any other subsequent events that would have a material effect on these financial statements.

**Sumner County, Kansas**  
**Summary of Expenditures--Actual and Budget (Statutory)**  
*(Budgeted Funds Only)*  
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	\$ 5,533,943		\$ 5,533,943	\$ 5,376,545	\$ 157,398
Special Revenue Funds:					
Road and Bridge	3,622,000		3,622,000	3,494,722	127,278
Special Bridge	40,000		40,000	37,952	2,048
Special Road & Bridge	60		60	-	60
4-H Club	3,000		3,000	3,000	-
Fair Association Building	3,500		3,500	3,280	220
County Fair	4,500		4,500	4,500	-
Health Fund	887,951		887,951	808,011	79,940
Casino Application	-		-	22,388	(22,388)
Lake Fund	10		10	10	-
Soil Conservation	24,500		24,500	23,956	544
Election Fund	157,881		157,881	137,499	20,382
Noxious Weeds	179,294		179,294	168,149	11,145
Ambulance	612,927		612,927	606,743	6,184
Employee Benefits	3,138,499		3,138,499	2,940,618	197,881
County Extension Council	157,900		157,900	155,768	2,132
Mental Health	289,000		289,000	273,456	15,544
Community College Tuition	883		883	883	-
Appraiser's Cost	380,500		380,500	381,712	(1,212)
Futures Unlimited	168,983	135,067	304,050	298,280	5,770
Economic Development	1		1	-	1
Service Program for Elderly	99,287		99,287	98,164	1,123
Tort Liability	74,147		74,147	763	73,384
Futures Unlimited Building	22,050		22,050	21,704	346
Concealed Carry Fees	2,000		2,000	4,615	(2,615)
Special Parks and Recreation	2,578		2,578	-	2,578
Special Alcohol Program	28,670		28,670	2,700	25,970
911 Wireless	54,970		54,970	54,970	-
2010 911 Wireless	42,000		42,000	23,594	18,406
Community Corrections	156,000		156,000	157,072	(1,072)
Work Release	25,000		25,000	20,666	4,334
911 Emergency Phone System	-		-	-	-
Capital Improvement	81,446		81,446	31,446	50,000
2010 911 Wire Line	101,000		101,000	70,324	30,676
Sheriff Asset Forfeiture	-		-	-	-
Sex Offender Fee	4,000		4,000	3,500	500
Inmate Phone System	20,000		20,000	15,917	4,083
County Cemetery	16,500		16,500	3,090	13,410
Juvenile Justice	254,664		254,664	251,271	3,393
Slate Valley Sewer	19,000		19,000	14,047	4,953
Sales Tax Revenue-Detention	734,500	9,037,574	9,772,074	9,608,106	163,968
Sales Tax Revenue-Health Care	-		-	47,550	(47,550)
Bio-Terrorism	25,000		25,000	22,866	2,134
Pan Flu Grant	-		-	-	-
Cities Readiness Grant	3,000		3,000	-	3,000
Debt Service Funds:					
Bond and Interest	377,542		377,542	376,541	1,001
Capital Projects Funds:					
Fiduciary Funds:					
Prosecuting Attorney Trainee	6,000	-	6,000	398	5,602
Total	<u>\$ 17,354,686</u>	<u>\$ 9,172,641</u>	<u>\$ 26,527,327</u>	<u>\$ 25,566,776</u>	<u>\$ 960,551</u>

**Sumner County, Kansas**

**General Fund**

**Schedule of Cash Receipts & Expenditures - Actual and Budget**

*For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Ad valorem tax	\$ 3,814,829	\$ 3,992,248	\$ 4,003,811	\$ (11,563)
Back tax collections	122,376	68,355	78,097	(9,742)
Motor vehicle tax	353,321	599,044	532,904	66,140
Interest on delinquent taxes	177,918	168,622	179,000	(10,378)
Recreational vehicle tax	6,717	10,671	9,928	743
Truck tax	20,089	20,943	23,632	(2,689)
Neighborhood Revitalization	(316,773)	(584,457)	(460,000)	(124,457)
Motor vehicle excise tax	224	170	-	170
Slider tax	-	-	-	-
<b>Total taxes</b>	<b>\$ 4,178,701</b>	<b>\$ 4,275,596</b>	<b>\$ 4,367,372</b>	<b>\$ (91,776)</b>
Mineral tax	\$ 20,676.00	\$ 19,278.00	\$ 24,800.00	\$ (5,522.00)
City and county revenue sharing	-	-	-	-
Local alcoholic liquor tax	487	415	752	(337)
Federal aid - DOT	-	5,109	-	5,109
Emergency Management grant	39,221	-	-	-
<b>Total intergovernmental</b>	<b>\$ 60,384</b>	<b>\$ 24,802</b>	<b>\$ 25,552</b>	<b>\$ (750)</b>
Planning fees	\$ 19,150	\$ 19,000	\$ 22,200	\$ (3,200)
Register of Deeds fees	52,036	92,575	48,000	44,575
Sheriff fees	25	20	15	5
County attorney diversion fees	6,950	9,075	-	9,075
Register of Deeds copy fees	2,053	14,275	-	14,275
Planning/Zoning fees	7,185	-	-	-
Mortgage registration fees	137,389	375,587	170,000	205,587
Mortgage registration tax to state	(5,500)	-	(6,700)	6,700
Cereal malt beverage licenses	250	250	200	50
Fish and game permits	84	75	104	(29)
Filing fees - Clerk	1,038	1,088	460	628
Court fees	8,397	3,264	7,100	(3,836)
Moving permits	3	13	-	13
Treasurer's fees	1,541	1,293	1,900	(607)
Fireworks permits	5,500	5,500	5,000	500
Tax foreclosure sale fee	14,352	15,572	-	15,572
<b>Total licenses, fees and permits</b>	<b>\$ 250,453</b>	<b>\$ 537,587</b>	<b>\$ 248,279</b>	<b>\$ 289,308</b>
Interest on idle funds	\$ 32,117	\$ 24,713	\$ 29,000	\$ (4,287)
Reimbursed expenditures	\$ 100,000	\$ 115,766	\$ -	\$ 115,766
Juvenile supervision	1,092	898	1,000	(102)
Tax exempt fees	-	-	200	(200)
Rental income	52,431	57,241	63,000	(5,759)
Sale of property	-	250	-	250
Other income	17,177	18,001	-	18,001
Operating transfer from Auto License Fees fund	55,584	25,159	60,000	(34,841)
Operating transfer from Sales Tax fund	-	919,873	-	919,873
Operating transfer from Equipment Reserve	55,202	75,000	75,000	-
Operating transfers from other funds	14,489	893	1,193	(300)
<b>Total other</b>	<b>\$ 295,975</b>	<b>\$ 1,213,081</b>	<b>\$ 200,393</b>	<b>\$ 1,012,688</b>
<b>Total cash receipts</b>	<b>\$ 4,817,630</b>	<b>\$ 6,075,779</b>	<b>\$ 4,870,596</b>	<b>\$ 1,205,183</b>

**Sumner County, Kansas****General Fund****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b>Expenditures</b>				
<b>County Commission:</b>				
Personal services	\$ 73,016	\$ 71,428	\$ 71,428	\$ -
Commodities	197	374	267	(107)
Contractual service	2,783	1,355	6,333	4,978
Capital outlay	-	-	-	-
Reimbursements	-	-	-	-
Total County Commission	<u>\$ 75,996</u>	<u>\$ 73,157</u>	<u>\$ 78,028</u>	<u>\$ 4,871</u>
<b>County Clerk:</b>				
Personal services	\$ 114,300	\$ 114,414	\$ 126,120	\$ 11,706
Commodities	5,926	5,589	5,830	241
Contractual service	3,032	3,001	3,898	897
Capital outlay	-	-	-	-
Reimbursements	-	-	-	-
Total County Clerk	<u>\$ 123,258</u>	<u>\$ 123,004</u>	<u>\$ 135,848</u>	<u>\$ 12,844</u>
<b>County Treasurer:</b>				
Personal services	\$ 298,035	\$ 291,733	\$ 306,916	\$ 15,183
Commodities	3,109	6,069	10,500	4,431
Contractual service	6,683	5,224	11,400	6,176
Capital outlay	156	-	-	-
Reimbursements	(127,068)	(135,635)	(132,000)	3,635
Total County Treasurer	<u>\$ 180,915</u>	<u>\$ 167,391</u>	<u>\$ 196,816</u>	<u>\$ 29,425</u>
<b>County Attorney:</b>				
Personal services	\$ 234,497	\$ 230,891	\$ 234,497	\$ 3,606
Commodities	3,949	4,835	4,000	(835)
Contractual service	41,639	31,260	20,269	(10,991)
Capital outlay	-	-	-	-
Reimbursements	-	-	-	-
Total County Attorney	<u>\$ 280,085</u>	<u>\$ 266,986</u>	<u>\$ 258,766</u>	<u>\$ (8,220)</u>
<b>Register of Deeds:</b>				
Personal services	\$ 97,207	\$ 96,143	\$ 97,299	\$ 1,156
Commodities	5,553	13,802	5,850	(7,952)
Contractual service	1,613	2,337	2,220	(117)
Capital outlay	-	-	-	-
Reimbursements	-	-	(4,500)	(4,500)
Total Register of Deeds	<u>\$ 104,373</u>	<u>\$ 112,282</u>	<u>\$ 100,869</u>	<u>\$ (11,413)</u>

**Sumner County, Kansas****General Fund****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Expenditures (continued)</u>				
Sheriff:				
Personal services - Sheriff/Jail	\$ 1,569,601	\$ 1,563,852	\$ 1,640,000	\$ 76,148
Commodities	330,837	371,737	320,700	(51,037)
Contractual service	37,832	38,320	51,850	13,530
Capital outlay	122,935	175,965	121,500	(54,465)
Other jail expenses	338,643	292,816	295,000	2,184
Reimbursements	(733,624)	(823,397)	(533,000)	290,397
Juvenile housing	16,084	40,000	40,000	-
Total Sheriff	<u>\$ 1,682,308</u>	<u>\$ 1,659,293</u>	<u>\$ 1,936,050</u>	<u>\$ 276,757</u>
Unified Court:				
Commodities	\$ 19,961	\$ 19,798	\$ 26,100	\$ 6,302
Contractual service	387,740	398,147	381,333	(16,814)
Capital outlay	5,444	4,677	5,000	323
Reimbursements	(65,408)	(58,819)	(45,000)	13,819
Total Unified Court	<u>\$ 347,737</u>	<u>\$ 363,803</u>	<u>\$ 367,433</u>	<u>\$ 3,630</u>
Courthouse - General:				
Commodities	\$ 4,324	\$ 6,314	\$ 8,000	\$ 1,686
Contractual service	688,831	381,361	601,850	220,489
Capital outlay	10,672	6,966	13,063	6,097
Transfer to Equipment Reserve	-	450,038	-	(450,038)
Postage	59,013	60,860	97,000	36,140
Insurance reimbursement	(170,525)	(16,990)	(135,000)	(118,010)
Total Courthouse - General	<u>\$ 592,315</u>	<u>\$ 888,549</u>	<u>\$ 584,913</u>	<u>\$ (303,636)</u>
County Counselor:				
Personal services	\$ 66,085	\$ 66,085	\$ 66,085	\$ -
Commodities	-	60	550	490
Contractual service	1,551	1,278	622	(656)
Capital outlay	-	-	250	250
Reimbursements	-	-	-	-
Total County Counselor	<u>\$ 67,636</u>	<u>\$ 67,423</u>	<u>\$ 67,507</u>	<u>\$ 84</u>
Planning:				
Personal services	\$ 136,319	\$ 133,990	\$ 135,200	\$ 1,210
Commodities	6,470	6,825	6,400	(425)
Contractual service	19,980	18,102	21,200	3,098
Capital outlay	-	-	-	-
Reimbursements	-	(2,158)	(7,000)	(4,842)
Total Register of Deeds	<u>\$ 162,769</u>	<u>\$ 156,759</u>	<u>\$ 155,800</u>	<u>\$ (959)</u>

**Sumner County, Kansas****General Fund****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

<u>Expenditures (continued)</u>	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Juvenile Court Program:				
Contractual service	\$ 9,042	\$ 9,042	\$ 9,643	\$ 601
Reimbursements	-	-	-	-
Total Juvenile Court Program	<u>\$ 9,042</u>	<u>\$ 9,042</u>	<u>\$ 9,643</u>	<u>\$ 601</u>
Emergency Preparedness:				
Personal services	\$ 80,165	\$ 81,916	\$ 80,184	\$ (1,732)
Commodities	4,765	3,339	6,950	3,611
Contractual service	22,831	24,595	30,156	5,561
Capital outlay	-	-	-	-
Reimbursements	9,077	-	-	-
Transfer to equipment reserve fund	13,074	-	-	-
	<u>\$ 129,912</u>	<u>\$ 109,850</u>	<u>\$ 117,290</u>	<u>\$ 7,440</u>
Raymond Frye Complex:				
Commodities	\$ -	\$ -	\$ -	\$ -
Contractual service	23,092	24,148	28,000	3,852
Capital outlay	7,200	1,750	8,000	6,250
Reimbursements	-	-	-	-
Total Raymond Frye Complex	<u>\$ 30,292</u>	<u>\$ 25,898</u>	<u>\$ 36,000</u>	<u>\$ 10,102</u>
Information Services:				
Personal services	\$ 73,825	\$ 73,722	\$ 74,098	\$ 376
Commodities	4,546	743	1,750	1,007
Contractual service	181,635	187,173	188,500	1,327
Capital outlay	1,000	160	500	340
Reimbursements	-	(536)	-	536
Total Information Services	<u>\$ 261,006</u>	<u>\$ 261,262</u>	<u>\$ 264,848</u>	<u>\$ 3,586</u>
Maintenance:				
Personal services	\$ 184,705	\$ 172,796	\$ 188,407	\$ 15,611
Commodities	6,923	3,532	12,500	8,968
Contractual service	614	-	4,000	4,000
Capital outlay	8,148	-	5,702	5,702
Reimbursements	(2,393)	-	-	-
Total Maintenance	<u>\$ 197,997</u>	<u>\$ 176,328</u>	<u>\$ 210,609</u>	<u>\$ 34,281</u>
Economic Development:				
Utilities	\$ 2,730	\$ 2,856	\$ 4,000	\$ 1,144
Rent	7,488	7,488	7,488	-
Appropriation	90,000	88,200	88,200	-
Reimbursements	(11)	-	-	-
Total Economic Development	<u>\$ 100,207</u>	<u>\$ 98,544</u>	<u>\$ 99,688</u>	<u>\$ 1,144</u>

**Sumner County, Kansas****General Fund****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

<u>Expenditures (continued)</u>	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Coroner:				
Contractual service	\$ 57,320	\$ 56,189	\$ 52,500	\$ (3,689)
Reimbursements	(28,856)	(43,000)	(28,000)	15,000
Total Coroner	<u>\$ 28,464</u>	<u>\$ 13,189</u>	<u>\$ 24,500</u>	<u>\$ 11,311</u>
Geographical Information:				
Personal services	\$ 33,462	\$ 32,573	\$ 34,573	\$ 2,000
Commodities	2,100	1,237	2,100	863
Contractual service	19,499	21,352	22,300	948
Capital outlay	-	-	-	-
Reimbursements	(2,719)	(7,692)	-	7,692
Total Emergency Preparedness	<u>\$ 52,342</u>	<u>\$ 47,470</u>	<u>\$ 58,973</u>	<u>\$ 11,503</u>
Care Home Maintenance:				
Personal services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	500	500
Contractual service	16,066	1,064	26,000	24,936
Reimbursements	500	-	-	-
Total Care Home Maintenance	<u>\$ 16,566</u>	<u>\$ 1,064</u>	<u>\$ 26,500</u>	<u>\$ 25,436</u>
CASA	<u>\$ 22,000</u>	<u>\$ 21,560</u>	<u>\$ 21,560</u>	<u>\$ -</u>
911 System:				
Personal services	\$ 595,646	\$ 570,836	\$ 645,492	\$ 74,656
Commodities	9,607	6,622	8,350	1,728
Contractual service	9,496	7,937	9,600	1,663
Capital outlay	-	-	-	-
Reimbursements	-	-	-	-
Total 911 System	<u>\$ 614,749</u>	<u>\$ 585,395</u>	<u>\$ 663,442</u>	<u>\$ 78,047</u>
Tax Sale:				
Personal services	\$ -	\$ -	\$ -	\$ -
Commodities	-	141	-	(141)
Contractual service	15,942	17,114	4,900	(12,214)
Reimbursements	-	-	-	-
Total Tax Sale	<u>\$ 15,942</u>	<u>\$ 17,255</u>	<u>\$ 4,900</u>	<u>\$ (12,355)</u>
Jail Maintenance:				
Personal services	\$ 32,083	\$ 32,372	\$ 2,000	\$ (30,372)
Commodities	13,041	11,997	13,500	1,503
Contractual service	24,750	20,213	24,000	3,787
Capital outlay	1,949	3,838	5,500	1,662
Total Jail Maintenance	<u>\$ 71,823</u>	<u>\$ 68,420</u>	<u>\$ 45,000</u>	<u>\$ (23,420)</u>

**Sumner County, Kansas****General Fund****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

<u>Expenditures (continued)</u>	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Other:				
Other	\$ 133	\$ 72	\$ -	\$ (72)
Mortgage Registration State Heritage Fund	-	9,783	-	(9,783)
Public Transportation	16,000	15,680	15,680	-
Community Correction repairs	-	-	6,480	6,480
Juvenile Emergency Placement	2,500	1,500	2,500	1,000
Miscellaneous	38,254	19,479	34,300	14,821
Payment to Mental Health Cemetery	-	-	-	-
	<u>11,357</u>	<u>16,107</u>	<u>10,000</u>	<u>(6,107)</u>
Total Other	<u>\$ 68,244</u>	<u>\$ 62,621</u>	<u>\$ 68,960</u>	<u>\$ 6,339</u>
Other Financing Uses:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	\$ 5,235,978	\$ 5,376,545	\$ 5,533,943	\$ 157,398
Cash Receipts Over (Under) Expenditures	\$ (418,348)	\$ 699,234	<u>\$ (663,347)</u>	<u>\$ 1,362,581</u>
Unencumbered Cash, Beginning	1,238,081	819,907		
Prior Year Cancelled Encumbrances	174	-		
Equity Fund Transfer	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 819,907</u>	<u>\$ 1,519,141</u>		

**Sumner County, Kansas****Special Revenue Fund****Road and Bridge****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes	\$ 2,282,243	\$ 2,412,079	\$ 2,426,876	\$ (14,797)
Intergovernmental				-
County Highway Fund	824,065	853,996	786,357	67,639
State grant	-	77,711	-	77,711
Transfer from Special Highway Fund	-	-	-	-
Total cash receipts	<u>\$ 3,106,308</u>	<u>\$ 3,343,786</u>	<u>\$ 3,213,233</u>	<u>\$ 130,553</u>
<b>Expenditures</b>				
Public Works:				
Personal services	\$ 1,479,281	\$ 1,404,928	\$ 1,684,037	\$ 279,109
Commodities	1,125,782	1,373,046	1,360,212	(12,834)
Contractual	63,822	62,739	148,750	86,011
Capital Outlay	67,590	67,104	73,766	6,662
Reimbursements	(182,085)	(100,373)	-	100,373
Projects	410,477	413,985	85,449	(328,536)
Insurance	130,786	130,786	130,786	-
Employee benefits	139,000	139,000	139,000	-
Other financing uses:				
Operating transfer to Bond and Interest	-	3,507	-	(3,507)
Total expenditures	<u>\$ 3,234,653</u>	<u>\$ 3,494,722</u>	<u>\$ 3,622,000</u>	<u>\$ 127,278</u>
Cash Receipts Over (Under) Expenditures	\$ (128,345)	\$ (150,936)	<u>\$ (408,767)</u>	<u>\$ 257,831</u>
Unencumbered Cash, Beginning	1,042,232	921,037		
Prior Year Cancelled Encumbrances	<u>7,150</u>	<u>1,206</u>		
Unencumbered Cash, Ending	<u>\$ 921,037</u>	<u>\$ 771,307</u>		

**Sumner County, Kansas****Special Revenue Fund****Special Bridge****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010	2011		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable (Unfavorable)
<u>Cash Receipts</u>				
Taxes	\$ 39,062	\$ 36,024	\$ 36,766	\$ (742)
 <u>Expenditures</u>				
Public Works:				
Commodities	\$ 39,189	\$ 37,952	\$ 40,000	\$ 2,048
Cash Receipts Over (Under) Expenditures	\$ (127)	\$ (1,928)	<u>\$ (3,234)</u>	<u>\$ 1,306</u>
Unencumbered Cash, Beginning	4,415	4,288		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 4,288</u>	<u>\$ 2,360</u>		

*Exempt from budget law per K.S.A. 68-141g and K.S.A. 68-1135, but was included in 2010 budget.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Special Road and Bridge**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Taxes	\$ 99	\$ 73
 <u>Expenditures</u>		
Public Works:		
Road and Bridge expenditures	\$ -	\$ -
Capital outlay	-	-
Reimbursements	-	-
Other financing uses:		
Operating transfers out	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>
 Cash Receipts Over (Under) Expenditures	 \$ 99	 \$ 73
 Unencumbered Cash, Beginning	 60	 159
 Prior Year Cancelled Encumbrances	 <u>-</u>	 <u>-</u>
 Unencumbered Cash, Ending	 <u>\$ 159</u>	 <u>\$ 232</u>

*Exempt from budget law per K.S.A. 68-141g and K.S.A. 68-1135.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Agricultural Complex Bond & Interest**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Rent	\$ -	\$ 28,056
<u>Expenditures</u>		
Culture and Recreation	\$ -	\$ -
Capital outlay	-	-
Reimbursements	-	-
Other financing uses:		
Operating transfers out	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ -	\$ 28,056
Unencumbered Cash, Beginning	-	-
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>	<u><u>\$ 28,056</u></u>

*Exempt from budget law per K.S.A. 68-141g and K.S.A. 68-1135.*

**Sumner County, Kansas****Special Revenue Fund****4-H Club****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 2,994	\$ 2,828	\$ 2,798	\$ 30
<u>Expenditures</u>				
Culture and Recreation:				
Appropriation	\$ 1,809	\$ 3,000	\$ 3,000	\$ -
Cash Receipts Over (Under) Expenditures	\$ 1,185	\$ (172)	\$ (202)	\$ 30
Unencumbered Cash, Beginning	175	1,360		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 1,360	\$ 1,188		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Fair Association Building**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 3,212	\$ 3,208	\$ 3,296	\$ (88)
 <u>Expenditures</u>				
Culture and Recreation: Appropriation	\$ 3,035	\$ 3,280	\$ 3,500	\$ 220
Cash Receipts Over (Under) Expenditures	\$ 177	\$ (72)	\$ (204)	\$ 132
Unencumbered Cash, Beginning	508	755		
Prior Year Cancelled Encumbrances	<u>70</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 755</u>	<u>\$ 683</u>		

**Sumner County, Kansas****Special Revenue Fund****County Fair****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 4,023	\$ 4,357	\$ 4,324	\$ 33
<u>Expenditures</u>				
Culture and Recreation: Appropriation	\$ 4,500	\$ 4,500	\$ 4,500	\$ -
Cash Receipts Over (Under) Expenditures	\$ (477)	\$ (143)	\$ (176)	\$ 33
Unencumbered Cash, Beginning	723	246		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 246	\$ 103		

**Sumner County, Kansas****Special Revenue Fund****Health****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes	\$ 117,080	\$ 141,088	\$ 140,884	\$ 204
Other:				
Charges for services	650,601	610,488	711,700	(101,212)
Donations	109	93	-	93
Transfer from Equipment Reserve	-	45,000	-	45,000
Transfers from Sales Tax-Health	-	27,550	-	27,550
Total cash receipts	<u>\$ 767,790</u>	<u>\$ 824,219</u>	<u>\$ 852,584</u>	<u>\$ (28,365)</u>
<b>Expenditures</b>				
Health:				
Personal services	\$ 732,008	\$ 701,459	\$ 747,491	\$ 46,032
Commodities	53,544	39,463	54,525	15,062
Contractual	79,404	66,941	85,485	18,544
Capital Outlay	365	148	450	302
Other financing uses:				
Operating transfers out	-	-	-	-
Total expenditures	<u>\$ 865,321</u>	<u>\$ 808,011</u>	<u>\$ 887,951</u>	<u>\$ 79,940</u>
Cash Receipts Over (Under) Expenditures	\$ (97,531)	\$ 16,208	<u>\$ (35,367)</u>	<u>\$ 51,575</u>
Unencumbered Cash, Beginning	123,463	25,932		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 25,932</u>	<u>\$ 42,140</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Casino Application**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Casino application fees & reimbursements	\$ 203,795	\$ -
 <u>Expenditures</u>		
Culture and Recreation:		
Reimbursement to general fund	\$ 173,908	\$ 22,388
Refund to Casino Company	50,000	-
	<u>\$ 223,908</u>	<u>\$ 22,388</u>
 Cash Receipts Over (Under) Expenditures	 \$ (20,113)	 \$ (22,388)
 Unencumbered Cash, Beginning	 100,001	 79,888
 Prior Year Cancelled Encumbrances	 -	 -
 Unencumbered Cash, Ending	 <u>\$ 79,888</u>	 <u>\$ 57,500</u>

**Sumner County, Kansas****Special Revenue Fund****Lake****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010		2011		Variance Favorable (Unfavorable)
	<u>Actual</u>		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>					
Taxes	\$ -		\$ -	\$ -	\$ -
<u>Expenditures</u>					
Culture and Recreation:	\$ -		\$ -	\$ -	\$ -
Operating transfer to General	-		10	10	-
Cash Receipts Over (Under) Expenditures	\$ -		\$ (10)	\$ (10)	\$ -
Unencumbered Cash, Beginning	12		12		
Prior Year Cancelled Encumbrances	-		-		
Unencumbered Cash, Ending	\$ 12		\$ 2		

**Sumner County, Kansas****Special Revenue Fund****Soil Conservation****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 24,778	\$ 23,391	\$ 23,635	\$ (244)
<u>Expenditures</u>				
Public Works:				
Appropriation	\$ 23,451	\$ 23,956	\$ 24,500	\$ 544
Cash Receipts Over (Under) Expenditures	\$ 1,327	\$ (565)	\$ (865)	\$ 300
Unencumbered Cash, Beginning	1,043	2,370		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 2,370	\$ 1,805		

**Sumner County, Kansas****Special Revenue Fund****Election****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Taxes	\$ 63,954	\$ 141,834	\$ 140,066	\$ 1,768
Transfer from Equipment Reserve Fund	10,000	-	-	-
	<u>\$ 73,954</u>	<u>\$ 141,834</u>	<u>\$ 140,066</u>	<u>\$ 1,768</u>
<b><u>Expenditures</u></b>				
General Government:				
Personal services	\$ 103,482	\$ 85,276	\$ 86,360	\$ 1,084
Commodities	10,080	4,008	17,500	13,492
Contractual	53,297	42,982	48,700	5,718
Capital Outlay	-	-	-	-
Reimbursements	(7,704)	(88)	-	88
Other financing uses:				
Operating transfers to Equipment Reserve	-	5,321	5,321	-
Total expenditures	<u>\$ 159,155</u>	<u>\$ 137,499</u>	<u>\$ 157,881</u>	<u>\$ 20,382</u>
Cash Receipts Over (Under) Expenditures	\$ (85,201)	\$ 4,335	<u>\$ (17,815)</u>	<u>\$ 22,150</u>
Unencumbered Cash, Beginning	118,353	33,152		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 33,152</u>	<u>\$ 37,487</u>		

**Sumner County, Kansas****Special Revenue Fund****Noxious Weeds****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes	\$ 25,802	\$ 88,845	\$ 86,669	\$ 2,176
Sale of chemicals	42,109	45,812	60,000	(14,188)
Transfer from Equipment Reserve	30,000	-	-	-
Total cash receipts	<u>\$ 97,911</u>	<u>\$ 134,657</u>	<u>\$ 146,669</u>	<u>\$ (12,012)</u>
<b>Expenditures</b>				
Public Works:				
Personal services	\$ 47,605	\$ 60,123	\$ 69,053	\$ 8,930
Commodities	66,666	75,213	102,641	27,428
Contractual	6,025	6,813	7,600	787
Capital Outlay	-	-	-	-
Reimbursements	-	-	-	-
Other financing uses:				
Operating transfers to Equipment Reserve	-	26,000	-	(26,000)
Total expenditures	<u>\$ 120,296</u>	<u>\$ 168,149</u>	<u>\$ 179,294</u>	<u>\$ 11,145</u>
Cash Receipts Over (Under) Expenditures	\$ (22,385)	\$ (33,492)	<u>\$ (32,625)</u>	<u>\$ (867)</u>
Unencumbered Cash, Beginning	96,823	74,438		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 74,438</u>	<u>\$ 40,946</u>		

**Sumner County, Kansas****Special Revenue Fund****Ambulance****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Taxes	\$ 597,460	\$ 586,056	\$ 591,140	\$ (5,084)
Transfer from Sales Tax-Health	-	20,000	-	20,000
Total cash receipts	<u>\$ 597,460</u>	<u>\$ 606,056</u>	<u>\$ 591,140</u>	<u>\$ 14,916</u>
<b><u>Expenditures</u></b>				
Health:				
Ambulance subsidy	\$ 615,985	\$ 606,743	\$ 612,927	\$ 6,184
Reimbursement	-	-	-	-
Total expenditures	<u>\$ 615,985</u>	<u>\$ 606,743</u>	<u>\$ 612,927</u>	<u>\$ 6,184</u>
Cash Receipts Over (Under) Expenditures	\$ (18,525)	\$ (687)	<u>\$ (21,787)</u>	<u>\$ 21,100</u>
Unencumbered Cash, Beginning	39,213	20,688		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 20,688</u>	<u>\$ 20,001</u>		

**Sumner County, Kansas****Special Revenue Fund****Employee Benefits****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes	\$ 2,535,309	\$ 2,911,484	\$ 2,938,939	\$ (27,455)
Reimbursements	7,516	2,918	-	2,918
Reimbursement from Road & Bridge fund	<u>139,000</u>	<u>130,786</u>	<u>139,000</u>	<u>(8,214)</u>
Total cash receipts	<u>\$ 2,681,825</u>	<u>\$ 3,045,188</u>	<u>\$ 3,077,939</u>	<u>\$ (32,751)</u>
<b>Expenditures</b>				
General Government:				
Social Security	\$ 469,924	\$ 456,628	\$ 532,221	\$ 75,593
Unemployment	52,197	43,377	60,000	16,623
Retirement	374,032	396,028	391,710	(4,318)
Health insurance	1,714,585	1,922,411	1,988,732	66,321
Kansas police and fire retirement	117,006	126,446	153,836	27,390
Life insurance	4,318	4,187	6,500	2,313
Reimbursements	(19,641)	(14,241)	-	14,241
Other	<u>4,636</u>	<u>5,782</u>	<u>5,500</u>	<u>(282)</u>
Total expenditures	<u>\$ 2,717,057</u>	<u>\$ 2,940,618</u>	<u>\$ 3,138,499</u>	<u>\$ 197,881</u>
Cash Receipts Over (Under) Expenditures	\$ (35,232)	\$ 104,570	<u>\$ (60,560)</u>	<u>\$ 165,130</u>
Unencumbered Cash, Beginning	226,066	192,740		
Prior Year Cancelled Encumbrances	<u>1,906</u>	<u>1,260</u>		
Unencumbered Cash, Ending	<u>\$ 192,740</u>	<u>\$ 298,570</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**County Extension Council**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 158,317	\$ 150,496	\$ 152,213	\$ (1,717)
<u>Expenditures</u>				
General Government:				
Appropriation	\$ 161,163	\$ 155,768	\$ 157,900	\$ 2,132
Cash Receipts Over (Under) Expenditures	\$ (2,846)	\$ (5,272)	\$ (5,687)	\$ 415
Unencumbered Cash, Beginning	8,088	5,272		
Prior Year Cancelled Encumbrances	<u>30</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 5,272</u>	<u>\$ -</u>		

**Sumner County, Kansas****Special Revenue Fund****Mental Health****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 293,366	\$ 266,756	\$ 269,923	\$ (3,167)
<u>Expenditures</u>				
Health:				
Appropriation	\$ 277,762	\$ 273,456	\$ 289,000	\$ 15,544
Cash Receipts Over (Under) Expenditures	\$ 15,604	\$ (6,700)	\$ (19,077)	\$ 12,377
Unencumbered Cash, Beginning	20,832	36,436		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 36,436	\$ 29,736		

*Exempt from budget law per A.G.O.77-9 and 78-258.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Community College Tuition**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 291	\$ 60	\$ -	\$ 60
<u>Expenditures</u>				
General Government:				
Community College tuition	\$ -	\$ -	\$ -	\$ -
Transfer to general fund	14,189	883	883	-
	<u>\$ 14,189</u>	<u>\$ 883</u>	<u>\$ 883</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ (13,898)	\$ (823)	<u>\$ (883)</u>	<u>\$ 60</u>
Unencumbered Cash, Beginning	15,072	1,174		
Prior Year Cancelled Encumbrances	-	-		
Equity transfer to general fund	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 1,174</u>	<u>\$ 351</u>		

*Exempt from budget law per K.S.A. 71-301(a).*

**Sumner County, Kansas****Special Revenue Fund****Appraiser's Cost****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 Actual	2011		Variance Favorable (Unfavorable)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes	\$ 371,143	\$ 372,218	\$ 375,409	\$ (3,191)
<b>Expenditures</b>				
General Government:				
Personal services	\$ 308,984	\$ 303,165	\$ 311,000	\$ 7,835
Commodities	23,433	25,533	29,300	3,767
Contractual	38,966	38,237	39,200	963
Capital Outlay	12,000	-	1,000	1,000
Reimbursements	(10)	-	-	-
Other financing uses:				
Operating transfer to Equipment Reserve	-	14,777	-	(14,777)
Total expenditures	\$ 383,373	\$ 381,712	\$ 380,500	\$ (1,212)
Cash Receipts Over (Under) Expenditures	\$ (12,230)	\$ (9,494)	\$ (5,091)	\$ (4,403)
Unencumbered Cash, Beginning	20,736	9,832		
Prior Year Cancelled Encumbrances	1,326	-		
Unencumbered Cash, Ending	\$ 9,832	\$ 338		

**Sumner County, Kansas****Special Revenue Fund****Future's Unlimited****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Taxes	\$ 149,949	\$ 159,845	\$ 161,163	\$ (1,318)
Federal grant	220,390	135,067	-	135,067
Total receipts	<u>\$ 370,339</u>	<u>\$ 294,912</u>	<u>\$ 161,163</u>	<u>\$ 133,749</u>
<b><u>Expenditures</u></b>				
Health:				
Appropriation	\$ 142,314	\$ 163,213	\$ 168,983	\$ 5,770
CDBG - NSP Grant:				
Acquisition of real estate	102,760	-	-	-
Rehab expense	109,935	131,792	-	(131,792)
Administration	7,695	3,275	-	(3,275)
Total expenditures	<u>\$ 362,704</u>	<u>\$ 298,280</u>	<u>\$ 168,983</u>	<u>\$ (129,297)</u>
Adjustment for qualifying budget credit	-	-	135,067	135,067
Total expenditures, adjusted	<u>\$ 362,704</u>	<u>\$ 298,280</u>	<u>\$ 304,050</u>	<u>\$ 5,770</u>
Cash Receipts Over (Under) Expenditures	\$ 7,635	\$ (3,368)	<u>\$ (142,887)</u>	<u>\$ 139,519</u>
Unencumbered Cash, Beginning	24,262	31,897		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 31,897</u>	<u>\$ 28,529</u>		

*Exempt from budget law per A.G.O. 77-9 and 78-258, but was included in 2010 budget.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Economic Development**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 3	\$ 1	\$ -	\$ 1
<u>Expenditures</u>				
Economic Development:				
Miscellaneous	\$ -	\$ -	\$ 1	\$ 1
Cash Receipts Over (Under) Expenditures	\$ 3	\$ 1	\$ (1)	<u>\$ 2</u>
Unencumbered Cash, Beginning	18	21		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 21</u>	<u>\$ 22</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Service Program for Elderly**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 99,546	\$ 94,280	\$ 95,297	\$ (1,017)
 <u>Expenditures</u>				
General Government:				
Appropriation	\$ 101,313	\$ 98,164	\$ 99,287	\$ 1,123
Cash Receipts Over (Under) Expenditures	\$ (1,767)	\$ (3,884)	\$ (3,990)	\$ 106
Unencumbered Cash, Beginning	5,651	3,884		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 3,884	\$ -		

**Sumner County, Kansas****Special Revenue Fund****Tort Liability****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 471	\$ 198	\$ -	\$ 198
<u>Expenditures</u>				
General Government:				
Contractual Services	\$ 4,622	\$ 763	\$ 74,147	\$ 73,384
Cash Receipts Over (Under) Expenditures	\$ (4,151)	\$ (565)	\$ (74,147)	\$ 73,582
Unencumbered Cash, Beginning	144,617	140,466		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 140,466	\$ 139,901		

*Exempt from budget law per K.S.A. 75-6110.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Special Highway Improvement**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Intergovernmental:		
KDOT loan	\$ -	\$ -
Other revenue:		
	-	-
Total cash receipts	<u>\$ -</u>	<u>\$ -</u>
 <u>Expenditures</u>		
Capital Outlay:		
Capital outlay	<u>\$ -</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash, Beginning	331	331
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 331</u>	<u>\$ 331</u>

*Exempt from budget law per K.S.A. 68-590.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Future's Unlimited Building**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes	\$ 18,582	\$ 21,293	\$ 21,329	\$ (36)
 <u>Expenditures</u>				
Health:				
Appropriation	\$ 17,539	\$ 21,704	\$ 22,050	\$ 346
Cash Receipts Over (Under) Expenditures	\$ 1,043	\$ (411)	\$ (721)	\$ 310
Unencumbered Cash, Beginning	4,546	5,589		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 5,589</u>	<u>\$ 5,178</u>		

**Sumner County, Kansas****Special Revenue Fund****Concealed Carry Fees****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Other revenue:				
Fees	\$ 2,955	\$ 4,100	\$ 2,000	\$ (2,000)
<u>Expenditures</u>				
Public Safety:				
Contractual	\$ -	\$ 4,615	\$ 2,000	\$ 2,000
Cash Receipts Over (Under) Expenditures	\$ 2,955	\$ (515)	\$ -	\$ -
Unencumbered Cash, Beginning	12,480	15,435		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 15,435</u>	<u>\$ 14,920</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Special Parks and Recreation**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010	2011		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>
<u>Cash Receipts</u>				
Liquor tax revenue	\$ 487	\$ 415	\$ 752	\$ (337)
<u>Expenditures</u>				
Culture and Recreation:				
Miscellaneous	\$ -	\$ -	\$ 2,578	\$ 2,578
Cash Receipts Over (Under) Expenditures	\$ 487	\$ 415	<u>\$ (1,826)</u>	<u>\$ 2,241</u>
Unencumbered Cash, Beginning	5,529	6,016		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 6,016</u>	<u>\$ 6,431</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Special Alcohol Program**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Liquor tax revenue	\$ 16,418	\$ 12,753	\$ 15,707	\$ (2,954)
 <u>Expenditures</u>				
Health:				
Appropriation	\$ 1,800	\$ 2,700	\$ 28,670	\$ 25,970
 Cash Receipts Over (Under) Expenditures	\$ 14,618	\$ 10,053	\$ (12,963)	\$ 23,016
 Unencumbered Cash, Beginning	41,961	57,479		
 Prior Year Cancelled Encumbrances	<u>900</u>	<u>-</u>		
 Unencumbered Cash, Ending	\$ <u>57,479</u>	\$ <u>67,532</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Local Environment Protection Grant**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Intergovernmental:		
State aid	\$ 9,349	\$ 6,649
 <u>Expenditures</u>		
General Government:		
Personal services	\$ 6,540	\$ 1,495
Commodities	422	707
Contractual services	6,780	5,141
Capital outlay	-	-
Total expenditures	<u>\$ 13,742</u>	<u>\$ 7,343</u>
 Cash Receipts Over (Under) Expenditures	 \$ (4,393)	 \$ (694)
 Unencumbered Cash, Beginning	 13,123	 8,730
 Prior Year Cancelled Encumbrances	 <u>-</u>	 <u>-</u>
 Unencumbered Cash, Ending	 <u>\$ 8,730</u>	 <u>\$ 8,036</u>

*Exempt from budget law per K.S.A. 12-16,111.*

**Sumner County, Kansas****Special Revenue Fund****911 Wireless****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Other revenue:				
Fees	\$ 22,807	\$ -	\$ -	\$ -
<b><u>Expenditures</u></b>				
Public Safety:				
Contractual	\$ 3,948	\$ -	\$ -	\$ -
Capital outlay	52,895	-	-	-
Other financing uses:				
Transfer to Equipment Reserve	<u>35,157</u>	<u>54,970</u>	<u>54,970</u>	<u>-</u>
Total expenditures	<u>\$ 92,000</u>	<u>\$ 54,970</u>	<u>\$ 54,970</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ (69,193)	\$ (54,970)	\$ (54,970)	\$ -
Unencumbered Cash, Beginning	128,470	59,526		
Prior Year Cancelled Encumbrances	<u>249</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 59,526</u>	<u>\$ 4,556</u>		

**Sumner County, Kansas****Special Revenue Fund****Sheriff's Technology Grant****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Law enforcement grant - COPS	\$ 418,750	\$ 768,050
 <u>Expenditures</u>		
Public Safety:		
Contractual	\$ 418,750	\$ 1,256,250
	-	-
Total expenditures	<u>\$ 418,750</u>	<u>\$ 1,256,250</u>
 Cash Receipts Over (Under) Expenditures	\$ -	\$ (488,200)
 Unencumbered Cash, Beginning	-	-
 Prior Year Cancelled Encumbrances	-	-
 Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ (488,200)</u>

*Expenditures fully offset by budget credit from federal grant. Not a budget or cash basis law violation.*

**Sumner County, Kansas****Special Revenue Fund****2010 911 Wireless****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Other revenue:				
Fees	\$ 22,769	\$ 45,321	\$ 37,000	\$ 8,321
<u>Expenditures</u>				
Public Safety:				
Contractual	\$ 755	\$ 23,594	\$ 22,000	\$ (1,594)
Capital outlay	-	-	20,000	20,000
Other financing uses:				
Operating transfers out	-	-	-	-
Total expenditures	\$ 755	\$ 23,594	\$ 42,000	18,406
Cash Receipts Over (Under) Expenditures	\$ 22,014	\$ 21,727	\$ (5,000)	\$ 26,727
Unencumbered Cash, Beginning	-	22,014		
Prior Year Cancelled Encumbrances	-	257		
Unencumbered Cash, Ending	\$ 22,014	\$ 43,998		

**Sumner County, Kansas****Special Revenue Fund****Community Corrections****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Intergovernmental				
State aid	\$ 72,648	\$ 153,792	\$ 156,000	\$ (2,208)
Other revenue	-	-	-	-
Total cash receipts	<u>\$ 72,648</u>	<u>\$ 153,792</u>	<u>\$ 156,000</u>	<u>\$ (2,208)</u>
<b><u>Expenditures</u></b>				
General Government:				
Personal services	\$ 138,868	\$ 147,236	\$ 143,520	\$ (3,716)
Commodities	1,826	1,839	1,749	(90)
Contractual	6,711	6,595	10,731	4,136
Capital Outlay	-	3,176	-	(3,176)
Reimbursements	(1,724)	(1,774)	-	1,774
Payments to other agencies	-	-	-	-
Total expenditures	<u>\$ 145,681</u>	<u>\$ 157,072</u>	<u>\$ 156,000</u>	<u>\$ (1,072)</u>
Cash Receipts Over (Under) Expenditures	\$ (73,033)	\$ (3,280)	<u>\$ -</u>	<u>\$ (3,280)</u>
Unencumbered Cash, Beginning	89,702	16,783		
Prior Year Cancelled Encumbrances	<u>114</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 16,783</u>	<u>\$ 13,503</u>		

**Sumner County, Kansas****Special Revenue Fund****Work Release****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Other revenue:				
Collections	\$ 11,040	\$ 15,355	\$ 10,000	\$ 5,355
<u>Expenditures</u>				
Public Safety:				
Program expenditures	\$ 22,032	\$ 20,666	\$ 25,000	\$ 4,334
Reimbursements	-	-	-	-
Total expenditures	\$ 22,032	\$ 20,666	\$ 25,000	\$ 4,334
Cash Receipts Over (Under) Expenditures	\$ (10,992)	\$ (5,311)	\$ (15,000)	\$ 9,689
Unencumbered Cash, Beginning	45,552	34,560		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 34,560	\$ 29,249		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Reappraisal**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Taxes	\$ -	\$ -
 <u>Expenditures</u>		
General Government:		
Contractual services	\$ -	\$ -
 Cash Receipts Over (Under) Expenditures	\$ -	\$ -
 Unencumbered Cash, Beginning	11	11
 Prior Year Cancelled Encumbrances	-	-
 Unencumbered Cash, Ending	<u>\$ 11</u>	<u>\$ 11</u>

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Sanitary Landfill Capital Outlay**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Fees	\$ -	\$ -
Rent	-	-
Total cash receipts	<u>\$ -</u>	<u>\$ -</u>
<u>Expenditures</u>		
Public Works:		
Commodities	\$ -	\$ -
Contractual	-	-
Capital outlay	2,940	5,933
Reimbursements	-	-
Transfer to general fund	-	-
Total expenditures	<u>\$ 2,940</u>	<u>\$ 5,933</u>
Cash Receipts Over (Under) Expenditures	\$ (2,940)	\$ (5,933)
Unencumbered Cash, Beginning	116,403	113,463
Prior Year Cancelled Encumbrances	-	-
Equity fund transfer	-	-
Unencumbered Cash, Ending	<u>\$ 113,463</u>	<u>\$ 107,530</u>

**Sumner County, Kansas**  
**Special Revenue Fund**  
**911 Emergency Phone System**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Collections	\$ 39,260	\$ -	\$ -	\$ -
<u>Expenditures</u>				
General Government:				
Contractual	\$ 55,689	\$ -	\$ -	\$ -
Capital Outlay	9,318	-	-	-
Reimbursements	-	-	-	-
Other financing uses:				
Operating transfers out	-	-	-	-
Total expenditures	<u>\$ 65,007</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ (25,747)	\$ -	<u>\$ -</u>	<u>\$ -</u>
Unencumbered Cash, Beginning	53,753	30,621		
Prior Year Cancelled Encumbrances	<u>2,615</u>	<u>20</u>		
Unencumbered Cash, Ending	<u>\$ 30,621</u>	<u>\$ 30,641</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Capital Improvement**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Taxes	\$ 85,670	\$ 10,273	\$ 14,475	\$ (4,202)
Other:				-
Reimbursements	-	-	-	-
Total cash receipts	<u>\$ 85,670</u>	<u>\$ 10,273</u>	<u>\$ 14,475</u>	<u>\$ (4,202)</u>
 <b><u>Expenditures</u></b>				
Capital Outlay:				
Capital outlay	\$ 16,116	\$ 31,446	\$ 81,446	\$ 50,000
Transfer to Equipment Reserve	<u>82,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 98,116</u>	<u>\$ 31,446</u>	<u>\$ 81,446</u>	<u>\$ 50,000</u>
 Cash Receipts Over (Under) Expenditures	\$ (12,446)	\$ (21,173)	<u>\$ (66,971)</u>	<u>\$ 45,798</u>
 Unencumbered Cash, Beginning	101,248	92,352		
 Prior Year Cancelled Encumbrances	<u>3,550</u>	<u>-</u>		
 Unencumbered Cash, Ending	<u>\$ 92,352</u>	<u>\$ 71,179</u>		

*Not subject to budget law per K.S.A. 19-120.*

**Sumner County, Kansas****Special Revenue Fund****Sheriff Asset Forfeiture****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Drug tax	\$ -	\$ -
Forfeitures	634	418
Total cash receipts	<u>\$ 634</u>	<u>\$ 418</u>
 <u>Expenditures</u>		
Public Safety:		
Miscellaneous	<u>\$ -</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ 634	\$ 418
Unencumbered Cash, Beginning	3,062	3,696
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 3,696</u>	<u>\$ 4,114</u>

**Sumner County, Kansas****Special Revenue Fund****Federal Equitable Sharing****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Treasury receipts	\$ 19,617	\$ 5,076
Dept of Justice receipts	<u>22,344</u>	<u>156,041</u>
Total revenue	<u>\$ 41,961</u>	<u>\$ 161,117</u>
<u>Expenditures</u>		
General Government:		
Contractual	\$ 3,681	\$ 12,646
	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 3,681</u>	<u>\$ 12,646</u>
Cash Receipts Over (Under) Expenditures	\$ 38,280	\$ 148,471
Unencumbered Cash, Beginning	-	38,280
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 38,280</u>	<u>\$ 186,751</u>

*Expenditures offset by budget credit. Not a budget violation.*

**Sumner County, Kansas**  
**Special Revenue Fund**  
**2010 911 Wire Line Fund**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010	2011		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable (Unfavorable)
<u>Cash Receipts</u>				
Other revenue:				
Fees	\$ 38,583	\$ 72,518	\$ 81,000	\$ (8,482)
<u>Expenditures</u>				
Public Safety:				
Contractual	\$ 8,059	\$ 68,084	\$ 83,600	\$ 15,516
Capital outlay	-	2,240	17,400	15,160
Other financing uses:				
Operating transfers out	-	-	-	-
Total expenditures	<u>\$ 8,059</u>	<u>\$ 70,324</u>	<u>\$ 101,000</u>	<u>\$ 30,676</u>
Cash Receipts Over (Under) Expenditures	\$ 30,524	\$ 2,194	<u>\$ (20,000)</u>	<u>22,194.00</u>
Unencumbered Cash, Beginning	-	30,524		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>249</u>		
Unencumbered Cash, Ending	<u>\$ 30,524</u>	<u>\$ 32,967</u>		

**Sumner County, Kansas****Special Revenue Fund****Sex Offender Fee****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Other revenue:				
Fees	\$ 3,370	\$ 4,015	\$ 4,000	\$ 15
<u>Expenditures</u>				
Public Safety:				
Contractual	\$ -	\$ -	\$ -	\$ -
Commodities	3,500	3,500	4,000	500
	<u>\$ 3,500</u>	<u>\$ 3,500</u>	<u>\$ 4,000</u>	<u>\$ 500</u>
Cash Receipts Over (Under) Expenditures	\$ (130)	\$ 515	<u>\$ -</u>	<u>\$ 515</u>
Unencumbered Cash, Beginning	2,690	2,560		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 2,560</u>	<u>\$ 3,075</u>		

**Sumner County, Kansas****Special Revenue Fund****No Fund Warrant****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Taxes:		
Delinquent taxes	\$ 1	\$ -
 <u>Expenditures</u>		
Other financing uses:		
Transfer to general fund	\$ -	\$ -
 Cash Receipts Over (Under) Expenditures	 \$ 1	 \$ -
 Unencumbered Cash, Beginning	 25	 26
 Prior Year Cancelled Encumbrances	 -	 -
 Unencumbered Cash, Ending	 <u>\$ 26</u>	 <u>\$ 26</u>

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Inmate Phone System**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Other revenue:				
Collections	\$ 16,172	\$ 22,902	\$ 20,000	\$ 2,902
 <u>Expenditures</u>				
Public Safety:				
Communication equipment	\$ 10,840	\$ 15,917	\$ 20,000	\$ 4,083
Reimbursements	-	-	-	-
Total expenditures	<u>\$ 10,840</u>	<u>\$ 15,917</u>	<u>\$ 20,000</u>	<u>\$ 4,083</u>
 Cash Receipts Over (Under) Expenditures	\$ 5,332	\$ 6,985	<u>\$ -</u>	<u>\$ 6,985</u>
 Unencumbered Cash, Beginning	4,412	9,744		
 Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
 Unencumbered Cash, Ending	<u>\$ 9,744</u>	<u>\$ 16,729</u>		

**Sumner County, Kansas****Special Revenue Fund****Equipment Reserve****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Reimbursements	\$ -	\$ 25,945
Other financing sources:		
Operating transfer from General-Courthouse	-	450,038
Operating transfer from Capital Improvement	82,000	
Operating transfer from General-Emergency	13,074	
Operating transfer from Election	-	5,321
Operating transfer from Appraiser's Cost	12,000	14,777
Operating transfer from Noxious Weed	-	26,000
Operating transfer from 911 Wireless	35,157	54,970
Operating transfer from Special Auto	-	20,000
Total cash receipts	<u>\$ 142,231</u>	<u>\$ 597,051</u>
<u>Expenditures</u>		
Capital Outlay:		
Capital outlay	\$ 178,842	\$ 88,448
Reimbursements	-	1,658
Operating transfers out:		
Transfer to General	55,202	75,000
Transfer to Health	-	45,000
Transfer to Noxious Weed	30,000	-
Transfer to Election	10,000	-
Total expenditures	<u>\$ 274,044</u>	<u>\$ 210,106</u>
Cash Receipts Over (Under) Expenditures	\$ (131,813)	\$ 386,945
Unencumbered Cash, Beginning	843,598	711,785
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 711,785</u>	<u>\$ 1,098,730</u>

*Not subject to budget law per K.S.A. 19-119.*

**Sumner County, Kansas****Special Revenue Fund****County Cemetery****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Fees collected and sales	\$ 16,782	\$ 11,620	\$ 10,000	\$ 1,620
<b><u>Expenditures</u></b>				
General Government:				
Contractual services	\$ 7,369	\$ 3,090	\$ 6,500	\$ 3,410
Capital outlay	-	-	10,000	10,000
Total expenditures	\$ 7,369	\$ 3,090	\$ 16,500	\$ 13,410
Cash Receipts Over (Under) Expenditures	\$ 9,413	\$ 8,530	\$ 3,500	\$ 5,030
Unencumbered Cash, Beginning	103,602	113,015		
Prior Year Cancelled Encumbrances	-	150		
Unencumbered Cash, Ending	\$ 113,015	\$ 121,695		

**Sumner County, Kansas****Special Revenue Fund****DARE Program****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Program collections	\$ -	\$ -
 <u>Expenditures</u>		
Public Safety:		
Program expenditures	\$ 4,794	\$ 4,454
 Cash Receipts Over (Under) Expenditures	 \$ (4,794)	 \$ (4,454)
 Unencumbered Cash, Beginning	 11,695	 6,901
 Prior Year Cancelled Encumbrances	 -	 269
 Unencumbered Cash, Ending	 <u>\$ 6,901</u>	 <u>\$ 2,716</u>

**Sumner County, Kansas****Special Revenue Fund****Juvenile Justice****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Intergovernmental Grant	\$ 309,958	\$ 246,076	\$ 254,664	\$ (8,588)
<b><u>Expenditures</u></b>				
General Government:				
Personal services	\$ 232,440	\$ 223,293	\$ 231,510	\$ 8,217
Commodities	2,493	1,420	3,154	1,734
Contractual	28,267	18,970	20,000	1,030
Capital outlay	6,941	1,963	-	(1,963)
Reimbursements	(1,364)	5,625	-	(5,625)
Total expenditures	\$ 268,777	\$ 251,271	\$ 254,664	\$ 3,393
Cash Receipts Over (Under) Expenditures	\$ 41,181	\$ (5,195)	\$ -	\$ (5,195)
Unencumbered Cash, Beginning	4,273	45,454		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	\$ 45,454	\$ 40,259		

**Sumner County, Kansas****Special Revenue Fund****EMA/Cert****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Intergovernmental:		
Federal program	\$ 7,665	\$ 4,114
State program	2,555	1,371
Miscellaneous revenue	-	-
Total cash receipts	<u>\$ 10,220</u>	<u>\$ 5,485</u>
 <u>Expenditures</u>		
General Government:		
Grant expenditures	<u>\$ 10,220</u>	<u>\$ 5,485</u>
 Cash Receipts Over (Under) Expenditures	 \$ -	 \$ -
 Unencumbered Cash, Beginning	 334	 334
 Prior Year Cancelled Encumbrances	 <u>-</u>	 <u>-</u>
 Unencumbered Cash, Ending	 <u>\$ 334</u>	 <u>\$ 334</u>

**Sumner County, Kansas**  
**Special Revenue Fund**  
**County Attorney - Asset Forfeiture**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Forfeitures	\$ 150	\$ 190
 <u>Expenditures</u>		
General Government		
Capital outlay	\$ -	\$ -
Reimbursements	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>
 Cash Receipts Over (Under) Expenditures	 \$ 150	 \$ 190
 Unencumbered Cash, Beginning	 3,221	 3,371
 Prior Year Cancelled Encumbrances	 <u>-</u>	 <u>-</u>
 Unencumbered Cash, Ending	 <u>\$ 3,371</u>	 <u>\$ 3,561</u>

*Exempt from budget law per K.S.A. 60-4117.*

**Sumner County, Kansas****Special Revenue Fund****War Memorial****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Miscellaneous	\$ -	\$ -
 <u>Expenditures</u>		
Culture and Recreation:		
Miscellaneous	\$ -	\$ -
 Cash Receipts Over (Under) Expenditures	\$ -	\$ -
 Unencumbered Cash, Beginning	300	300
 Prior Year Cancelled Encumbrances	-	-
 Unencumbered Cash, Ending	<u>\$ 300</u>	<u>\$ 300</u>

**Sumner County, Kansas****Special Revenue Fund****Slate Valley Sewer****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Other revenue:				
Collections	\$ 16,647	\$ 16,764	\$ 15,840	\$ 924
Reimbursements	-	-	-	-
Total cash receipts	<u>\$ 16,647</u>	<u>\$ 16,764</u>	<u>\$ 15,840</u>	<u>\$ 924</u>
<b><u>Expenditures</u></b>				
Debt Service:				
Bond principal	\$ 8,488	\$ 8,719	\$ 8,719	\$ -
Bond interest	4,228	4,017	4,425	408
Other construction costs	1,274	1,311	5,856	4,545
Total expenditures	<u>\$ 13,990</u>	<u>\$ 14,047</u>	<u>\$ 19,000</u>	<u>\$ 4,953</u>
 Cash Receipts Over (Under) Expenditures	 \$ 2,657	 \$ 2,717	 <u>\$ (3,160)</u>	 <u>\$ 5,877</u>
 Unencumbered Cash, Beginning	 6,998	 9,655		
 Prior Year Cancelled Encumbrances	 -	 -		
 Unencumbered Cash, Ending	 <u>\$ 9,655</u>	 <u>\$ 12,372</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Local Emergency Planning**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Fees	\$ -	\$ -
 <u>Expenditures</u>		
Public Safety:		
Contractual	\$ -	\$ -
 Cash Receipts Over (Under) Expenditures	 \$ -	 \$ -
 Unencumbered Cash, Beginning	 8	 8
 Prior Year Cancelled Encumbrances	 -	 -
 Unencumbered Cash, Ending	 <u>\$ 8</u>	 <u>\$ 8</u>

**Sumner County, Kansas****Special Revenue Fund****Neighborhood Revitalization****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Property tax withheld from taxing districts	\$ 369,917	\$ 1,831,184
Fees collected	<u>5,900</u>	<u>108,795</u>
Total cash receipts	<u>\$ 375,817</u>	<u>\$ 1,939,979</u>
<u>Expenditures</u>		
General Government:		
Taxes refunded	\$ 1,052,054	\$ 1,148,167
Administrative expenses	<u>(19,208)</u>	<u>522</u>
Total expenditures	<u>\$ 1,032,846</u>	<u>\$ 1,148,689</u>
Cash Receipts Over (Under) Expenditures	\$ (657,029)	\$ 791,290
Unencumbered Cash, Beginning	60,018	(595,113)
Prior Year Cancelled Encumbrances	<u>1,898</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ (595,113)</u>	<u>\$ 196,177</u>

**Sumner County, Kansas****Special Revenue Fund****SERT****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Fees collected	\$ 15,882	\$ 21,750
 <u>Expenditures</u>		
General Government:		
Miscellaneous	\$ 12,112	\$ 19,244
 Cash Receipts Over (Under) Expenditures	 \$ 3,770	 \$ 2,506
 Unencumbered Cash, Beginning	 3,931	 7,701
 Prior Year Cancelled Encumbrances	 _____ -	 _____ -
 Unencumbered Cash, Ending	 <u>\$ 7,701</u>	 <u>\$ 10,207</u>

**Sumner County, Kansas****Special Revenue Fund****Donations for Drug Dog****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Donations	\$ 4,478	\$ 9,975
 <u>Expenditures</u>		
Public Safety:		
Commodities	\$ 672	\$ 12,304
 Cash Receipts Over (Under) Expenditures	\$ 3,806	\$ (2,329)
 Unencumbered Cash, Beginning	2,267	6,073
 Prior Year Cancelled Encumbrances	-	-
 Unencumbered Cash, Ending	<u>\$ 6,073</u>	<u>\$ 3,744</u>

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Register of Deeds Technology**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Other revenue:		
Collections	\$ 32,112	\$ 59,050
 <u>Expenditures</u>		
Capital Outlay:		
Capital outlay	\$ 37,202	\$ 15,199
 Cash Receipts Over (Under) Expenditures	 \$ (5,090)	 \$ 43,851
 Unencumbered Cash, Beginning	 30,313	 25,223
 Prior Year Cancelled Encumbrances	 _____ -	 _____ -
 Unencumbered Cash, Ending	 <u>\$ 25,223</u>	 <u>\$ 69,074</u>

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Sales Tax Revenue-Detention Center**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Taxes:				
Local sales tax	\$ 2,077,151	\$ 953,566	\$ 2,000,000	\$ (1,046,434)
Use of money and property:				
Interest earnings	4,952	1,290	-	1,290
Total cash receipts	<u>\$ 2,082,103</u>	<u>\$ 954,856</u>	<u>\$ 2,000,000</u>	<u>\$ (1,045,144)</u>
<b><u>Expenditures</u></b>				
Debt Service:				
Bond principal	\$ 365,000	\$ 7,660,000	\$ 385,000	\$ (7,275,000)
Bond interest	359,450	174,250	348,500	174,250
Refunding cost	-	837,201	-	
Refunding expense	-	5,500	1,000	(4,500)
Capital outlay-project cost	-	11,282	-	(11,282)
Other financing uses:				
Transfer to General-fund close out	-	919,873	-	(919,873)
Total expenditures	<u>\$ 724,450</u>	<u>\$ 9,608,106</u>	<u>\$ 734,500</u>	<u>\$ (8,873,606)</u>
Adjustment for qualifying budget credit	-	-	9,037,574	9,037,574
Total expenditures, adjusted	<u>\$ 724,450</u>	<u>\$ 9,608,106</u>	<u>\$ 9,772,074</u>	<u>\$ 163,968</u>
Cash Receipts Over (Under) Expenditures	\$ 1,357,653	\$ (8,653,250)	<u>\$ (7,772,074)</u>	<u>\$ (881,176)</u>
Unencumbered Cash, Beginning	7,295,597	8,653,250		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 8,653,250</u>	<u>\$ -</u>		

**Sumner County, Kansas**  
**Special Revenue Fund**  
**Sales Tax Revenue-Health Care**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<b><u>Cash Receipts</u></b>		
Taxes:		
Local sales tax	\$ -	\$ 957,472
Use of money and property:		
Interest earnings	<u>-</u>	<u>-</u>
Total cash receipts	<u>\$ -</u>	<u>\$ 957,472</u>
<b><u>Expenditures</u></b>		
Other financing uses:		
Transfer to Ambulance	\$ -	\$ 20,000
Transfer to Health	<u>-</u>	<u>27,550</u>
Total expenditures	<u>\$ -</u>	<u>\$ 47,550</u>
 Cash Receipts Over (Under) Expenditures	 \$ -	 \$ 909,922
 Unencumbered Cash, Beginning	 -	 -
 Prior Year Cancelled Encumbrances	 <u>-</u>	 <u>-</u>
 Unencumbered Cash, Ending	 <u><u>\$ -</u></u>	 <u><u>\$ 909,922</u></u>

**Sumner County, Kansas****Special Revenue Fund****Bio-Terrorism****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Intergovernmental:				
Federal grant	\$ 23,897	\$ 24,068	\$ 25,000	\$ (932)
<b><u>Expenditures</u></b>				
Public Safety:				
Personal services	\$ 4,955	\$ 8,304	\$ -	\$ (8,304)
Commodities	304	461	3,500	
Contractual	18,755	13,829	21,000	
Capital outlay	<u>4,044</u>	<u>272</u>	<u>500</u>	<u>228</u>
Total expenditures	\$ <u>28,058</u>	\$ <u>22,866</u>	\$ <u>25,000</u>	\$ <u>2,134</u>
Cash Receipts Over (Under) Expenditures	\$ (4,161)	\$ 1,202	\$ <u>-</u>	\$ <u>1,202</u>
Unencumbered Cash, Beginning	43,255	39,094		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	\$ <u>39,094</u>	\$ <u>40,296</u>		

**Sumner County, Kansas****Special Revenue Fund****Pan Flu Grant****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011**(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)*

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Intergovernmental:				
Grant	\$ 89,567	\$ -	\$ -	\$ -
<b><u>Expenditures</u></b>				
Health:				
Personal services	\$ 17,810	\$ -	\$ -	\$ -
Commodities	15,326	-	-	-
Contractual	9,343	-	-	-
Capital Outlay	<u>43,560</u>	<u>-</u>	<u>-</u>	<u>-</u>
Commodities	\$ <u>86,039</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
 Cash Receipts Over (Under) Expenditures	 \$ 3,528	 \$ -	 <u>\$ -</u>	 <u>\$ -</u>
 Unencumbered Cash, Beginning	 6,430	 9,958		
 Prior Year Cancelled Encumbrances	 <u>-</u>	 <u>-</u>		
 Unencumbered Cash, Ending	 <u>\$ 9,958</u>	 <u>\$ 9,958</u>		

*Exempt from budget per K.S.A. 12-1663*

**Sumner County, Kansas**

**Special Revenue Fund**

**Cities Readiness Grant**

**Schedule of Cash Receipts & Expenditures - Actual and Budget**

*For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

		2011		Variance
	2010	Actual	Budget	Favorable
	Actual	Actual	Budget	(Unfavorable)
<u>Cash Receipts</u>				
Intergovernmental:				
Grant	\$ -	\$ -	\$ 3,000	\$ (3,000)
<u>Expenditures</u>				
Health:				
Personal services	\$ -	\$ -	\$ -	\$ -
Commodities	-	-	-	-
Contractual	-	-	-	-
Capital Outlay	-	-	3,000	3,000
Commodities	\$ -	\$ -	\$ 3,000	\$ 3,000
Cash Receipts Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -
Unencumbered Cash, Beginning	19,717	19,717		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 19,717</u>	<u>\$ 19,717</u>		

**Sumner County, Kansas****Special Revenue Fund****Auto License Fee****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Taxes	\$ 1,492	\$ 1,540
Fees	200,291	187,732
Miscellaneous	<u>10,635</u>	<u>9,033</u>
Total cash receipts	<u>\$ 212,418</u>	<u>\$ 198,305</u>
<u>Expenditures</u>		
General Government		
Personal services	\$ 137,979	\$ 145,006
Commodities	11,348	13,832
Contractual services	9,822	9,820
Capital outlay	8,110	516
Operating transfer to equipment reserve	-	20,000
Operating transfer to general fund	<u>55,584</u>	<u>25,159</u>
Total expenditures	<u>\$ 222,843</u>	<u>\$ 214,333</u>
Cash Receipts Over (Under) Expenditures	\$ (10,425)	\$ (16,028)
Unencumbered Cash, Beginning	55,584	45,159
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 45,159</u>	<u>\$ 29,131</u>

*Not subject to budget law per K.S.A. 8-145*

**Sumner County, Kansas****Debt Service Fund****Bond and Interest****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<b><u>Cash Receipts</u></b>				
Taxes	\$ 366,252	\$ 359,233	\$ 363,203	\$ (3,970)
Transfer from Road & Bridge fund	-	3,507	-	3,507
	<u>\$ 366,252</u>	<u>\$ 362,740</u>	<u>\$ 363,203</u>	<u>\$ (463)</u>
<b><u>Expenditures</u></b>				
Debt Service				
Principal	\$ 284,486	\$ 295,297	\$ 295,297	\$ -
Interest	92,054	81,244	81,244	-
Other	-	-	1,001	1,001
Total expenditures	<u>\$ 376,540</u>	<u>\$ 376,541</u>	<u>\$ 377,542</u>	<u>\$ 1,001</u>
Cash Receipts Over (Under) Expenditures	\$ (10,288)	\$ (13,801)	\$ (14,339)	<u>\$ 538</u>
Unencumbered Cash, Beginning	24,094	13,806		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 13,806</u>	<u>\$ 5</u>		

**Sumner County, Kansas****Capital Project Fund****Jail Construction****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Reimbursement from Sales Tax Fund	\$ -	\$ 11,282
<u>Expenditures</u>		
Capital Outlay:		
Capital outlay	\$ -	\$ 11,282
Cash Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash, Beginning	-	-
Prior Year Cancelled Encumbrances	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**Sumner County, Kansas**  
**Fiduciary Fund**  
**Prosecuting Attorney Trainee Fund**  
**Schedule of Cash Receipts & Expenditures - Actual and Budget**  
*For the Year Ended December 31, 2011*  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Fees	\$ 9,074	\$ 8,263	\$ 6,000	\$ 2,263
<u>Expenditures</u>				
Public Safety				
Commodities	\$ -	\$ -	\$ -	\$ -
Contractual	<u>4,584</u>	<u>398</u>	<u>6,000</u>	<u>5,602</u>
Total expenditures	<u>\$ 4,584</u>	<u>\$ 398</u>	<u>\$ 6,000</u>	<u>\$ 5,602</u>
Cash Receipts Over (Under) Expenditures	\$ 4,490	\$ 7,865	<u>\$ -</u>	<u>\$ 7,865</u>
Unencumbered Cash, Beginning	27,607	32,097		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ 32,097</u>	<u>\$ 39,962</u>		

**Sumner County, Kansas****Fiduciary Fund****Peck Improvement District****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Taxes:		
Other	\$ 6	\$ 392
Intergovernmental:		
CDBG to County	244,250	52,000
Other financing source:		
Loan from USDA to Peck Improvement	<u>1,420,600</u>	<u>-</u>
Total cash receipts	<u>\$ 1,664,856</u>	<u>\$ 52,392</u>
<u>Expenditures</u>		
Capital Outlay:		
Appropriation	\$ -	\$ -
Legal and financial fees	-	-
engineering fees	-	-
CDBG Funds paid for project	244,250	46,824
Rural Development funds paid for project	2,087,748	-
Administrative expense	<u>3,721</u>	<u>377</u>
Total expenditures	<u>\$ 2,335,719</u>	<u>\$ 47,201</u>
Cash Receipts Over (Under) Expenditures	\$ (670,863)	\$ 5,191
Unencumbered Cash, Beginning	683,679	12,816
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 12,816</u>	<u>\$ 18,007</u>

**Sumner County, Kansas****Fiduciary Fund****Self-Funded Medical Insurance****Schedule of Cash Receipts & Expenditures - Actual and Budget***For the Year Ended December 31, 2011*

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	2,010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Employer's contribution	\$ -	\$ -
Employee benefits fund	-	-
Employee contribution	-	-
Total cash receipts	<u>\$ -</u>	<u>\$ -</u>
<u>Expenditures</u>		
General Government:		
Health claims	\$ -	\$ -
Administrative expense	-	-
Dues	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>
Cash Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash, Beginning	5,999	5,999
Prior Year Cancelled Encumbrances	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 5,999</u>	<u>\$ 5,999</u>

*Not subject to budget law per K.S.A. 8-145.*

**Sumner County, Kansas**  
**Agency Funds**  
**Summary of Cash Receipts and Cash Disbursements**  
*For the Year Ended December 31, 2011*

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
County Clerk				
Fish and Game Licenses	\$ 5,145	\$ 1,347	\$ 1,307	\$ 5,185
County Treasurer:				-
Motor vehicle fees and sales tax collections				
Division of vehicles	\$ (5,162)	\$ 1,498,285	\$ 1,489,080	\$ 4,043
Sales tax collection	41,854	657,793	645,102	54,545
	<u>\$ 36,692</u>	<u>\$ 2,156,078</u>	<u>\$ 2,134,182</u>	<u>\$ 58,588</u>
Division of Vehicles Drivers License and SRS	<u>\$ 72,369</u>	<u>\$ 133,414</u>	<u>\$ 122,368</u>	<u>\$ 83,415</u>
Tax Collections				
Special City County Highway	\$ -	\$ 934,149	\$ 934,149	\$ -
Mineral tax	-	38,556	38,556	-
Recreational vehicle tax	31,194	57,916	68,564	20,546
Recreational vehicle tax interest	1,334	192	-	1,526
Cash long (short)	(122)	42,495	43,041	(668)
Motor vehicle tax	774,543	3,305,416	3,974,586	105,373
Motor vehicle tax interest	21,585	2,746	-	24,331
Real estate redemption	113,266	842,492	505,094	450,664
Real estate redemption interest	95,682	129,162	129,162	95,682
Delinquent personal prop tax: Court	18,730	58,992	31,054	46,668
Personal redemption - costs	9,456	9,649	-	19,105
Current tax	17,334,346	29,414,504	28,828,164	17,920,686
Due to gen fund-int on delinquent tax	35,489	27,270	27,270	35,489
Advance tax	-	5,498	5,498	-
Prior year refunds	(35,706)	-	(6,579)	(29,127)
Taxes in suspension	14,984	60,908	75,836	56
Taxes in escrow	28,115	114,349	86,526	55,938
	<u>\$ 18,442,896</u>	<u>\$ 35,044,294</u>	<u>\$ 34,740,921</u>	<u>\$ 18,746,269</u>
Taxing District Accounts				
State Educational Building	\$ -	\$ 204,550	\$ 204,550	\$ -
State Institutional Building	-	102,275	102,275	-
State Correctional Institutions	-	4	4	-
Suppesville Sewer District	(137)	2,485	2,155	193
Townships	-	2,827,540	2,809,465	18,075
Cemeteries	-	145,722	145,722	-
Misc districts	(10)	845,011	844,981	20
Cities	710	4,875,260	4,877,023	(1,053)
School districts	-	11,761,979	11,778,321	(16,342)
	<u>\$ 563</u>	<u>\$ 20,764,826</u>	<u>\$ 20,764,496</u>	<u>\$ 893</u>
Total County Treasurer Agency Funds	<u>\$ 18,552,520</u>	<u>\$ 58,098,612</u>	<u>\$ 57,761,967</u>	<u>\$ 18,889,165</u>
District Court	\$ 90,241	\$ 1,469,593	\$ 1,492,572	\$ 67,262
Law Library	<u>\$ 38,713</u>	<u>\$ 41,886</u>	<u>\$ 51,641</u>	<u>\$ 28,958</u>
Total Agency Funds	<u>\$ 18,686,619</u>	<u>\$ 59,611,438</u>	<u>\$ 59,307,487</u>	<u>\$ 18,990,570</u>

***Sumner County, Kansas***  
**Schedule of Expenditures of Federal Awards**  
*For the Year Ended December 31, 2011*

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Department of Agriculture			
Pass-Through Program From:			
Kansas Department of Health and Environment			
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	Unknown	\$ 88,898
<i>Total Department of Agriculture</i>			<u>\$ 88,898</u>
Department of Health and Human Services			
Pass-Through Program From:			
Kansas Department of Health and Environment			
Family Planning Services	93.217	Unknown	\$ 5,690
Child Care and Development Block Grant	93.575	Unknown	\$ 6,514
Maternal & Child Health Services Block Grant to the States	93.994	Unknown	\$ 24,896
Public Health Emergency Preparedness (Bio-Terrorism)	93.069	Unknown	\$ 22,866
<i>Total Department of Health and Human Services</i>			<u>\$ 59,966</u>
Department of Justice Direct Program			
Public Safety Partnership and Community Policing Grants	16.710	2009CKWX0525	\$ 1,256,200
Federal Equitable Sharing Program	16.000	KS096013A	\$ 12,647
<i>Total Department of Justice Direct Programs</i>			<u>\$ 1,268,847</u>
Department of Housing and Urban Development			
Pass-Through Program From:			
Kansas Department of Commerce:			
CDBG for Peck Improvement District	14.228	09-PF-938X3-7A	\$ -
CDBG-NSP	14.228	09-NSP-020X3-7B	\$ 135,067
<i>Total Department of Housing and Urban Development</i>			<u>\$ 135,067</u>
Department of Homeland Security			
Pass-Through Program From:			
Kansas Department of Emergency Management:			
Emergency Management Performance Grant	97.042	DHS-11-DPD-042-007-01	\$ 26,148
FEMA - Hazard Mitigation Program	97.039	FEMA-DR-1675-KS-056	\$ 4,114
<i>Total Department of Homeland Security</i>			<u>\$ 30,262</u>
Department of Transportation			
Pass-Through Program From:			
Kansas Department of Transportation:			
JJA Enforcement of Underage Drinking Laws	16.727	SP-2201-11	\$ 3,769
NHTSA Impaired Driving Deterrence Program	20.601	SP 3103-11	\$ 1,340
<i>Total Department of Transportation</i>			<u>\$ 5,109</u>
<b><i>Total Expenditures of Federal Awards</i></b>			<u><u>\$ 1,588,148</u></u>

***Sumner County, Kansas***  
**Notes to the Schedule of Expenditures of Federal Awards**  
*December 31, 2011*

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal grant activity of Sumner County, Kansas under programs of the federal government for the year ended December 31, 2011. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the operations of Sumner County, Kansas, it is not intended to and does not present the financial position, changes in net assets or cash flows of Sumner County, Kansas.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

***Sumner County, Kansas***  
**Summary Schedule of Prior Audit Findings**  
*For the Year Ended December 31, 2011*

**Prior Year Findings and Questioned Costs—Relative to Federal Awards**

ALL FEDERAL AGENCIES

**Finding 2010-1 Internal Controls over Preparation of Schedule of Federal Awards***Condition:*

Management was unaware of the specific requirements of the SEFA, including CFDA numbers and amounts of federal awards expended during the audit period.

*Recommendation:*

Management should become familiar with the requirements for preparation of the schedule of expenditures of federal awards and should develop an entity wide system for accumulating the required information. Management should assign this responsibility to a single person or department instead of the current decentralized system. The responsible person or department should use a disclosure checklist in identifying awards received and in evaluation of the non-audit services of drafting the schedule of expenditures of federal awards.

*Current status:*

Prior to the 2010 finding, management had no experience in preparation of the SEFA, now there is more general knowledge about the requirement. Management has begun to maintain centralized files that will facilitate the preparation of the SEFA, however, those files are not yet complete. No person has been formally assigned this responsibility, but the County Clerk has taken the steps noted above. Due to 2010 audit procedure being performed in late 2011, the condition was still present in 2011. See Finding 2011-2.

ALL FEDERAL AGENCIES

**Finding 2010-2: Internal Control over Identification of Federal Awards and their Compliance Requirements***Condition:*

The County does not have an effective system to accurately identify all federal funds received and their related compliance and financial reporting requirements. Some of the federal funds received were classified in the general ledger as from a non-federal source or credited to an expense account as a reimbursement. For awards identified as federal, there is not an adequate system to maintain required information and identify compliance requirements regarding the awards. For one major program in 2010 knowledgeable third party administrators were retained, but there was an inability to independently identify some of the direct and material compliance requirements or to adequately assess risk of noncompliance and monitor compliance activities. For other federal programs for which there was no consultants to assist with compliance, there was minimal identification of compliance requirements and minimal monitoring of internal controls over compliance. For the 2010 CDBG program, underlying general ledger accounts did not adequately identify project expenditures as being expenditures of federal funds, as separate funds were not maintained to account for the expenditures.

***Sumner County, Kansas***  
**Summary Schedule of Prior Audit Findings**  
*For the Year Ended December 31, 2011*

**Finding 2010-2: Internal Control over Identification of Federal Awards and their Compliance Requirements (continued)**

*Recommendation:*

The county should establish written policies and procedures for centralizing information about federal awards applied for, received and expended. Included in the records maintained should be the required identifying information, an assessment of the direct and material compliance requirements for each federal award and assignment of responsibility for administration of the federal awards. A separate fund should be established to account for larger federal awards, with separate revenue accounts being maintained to account for their receipt. The county may wish to consider appointing a federal projects coordinator who would have oversight over all federal awards. This coordinator should receive training and resources to adequately perform risk assessments, design control activities, communicate regarding grant requirements and monitor compliance.

*Current status:*

See corrective action noted in Finding 2010-1. The County Clerk has begun to maintain some of the necessary files, but this process is not complete. 2011 general ledger records still misclassified and misidentified some of the federal program receipts. There has been no designation of an entity wide person responsible for identifying federal programs and their compliance requirements. The condition has not been fully corrected. See Finding 2011-3.

DEPARTMENT OF HOUSING AND URBAN AFFAIRS—Community Development Block Grant-NSP Program, CFDA 14.228

**Finding 2010-3: Compliance With Procurement Requirements**

*Condition:*

The County did not document that it followed federal and state procurement and bonding requirements with respect to a construction contract paid with federal funds. A sole source contract was negotiated with a local contractor. The required performance and payment bonds were not obtained.

*Recommendation:*

The County should appoint an official to be responsible for compliance for each federal award received. That official should attend training regarding compliance issues and communicate directly with awarding agencies. This will allow for more effective monitoring of third party administrators or in less complex awards more effective internal controls over compliance with direct and material compliance requirements.

*Current status:*

Management does generally assign responsibility to the department head applying for and expending the funds. The condition referred to above was a one time occurrence, with the County not having any new federal programs in 2011 requiring bidding and bonding procedures as was the case in Finding 2010-3, therefore, there were no similar findings in 2011.

***Sumner County, Kansas***  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

**Section I—Summary of Auditor’s Results**

*Financial Statements*

- Type of auditor’s report issued: Unqualified opinion on the 2011 regulatory basis financial statements.
- Internal control over financial reporting:
  - Material weaknesses identified? YES
  - Significant deficiencies identified? YES
  - Four significant deficiencies relating to financial reporting were disclosed by the audit of the financial statements. These were findings 2011-1, 2011-2, 2011-5 and 2011-6.
  - Of those significant deficiencies, 2011-1, 2011-2, and 2011-5 were identified as material weaknesses
- Noncompliance material to financial statements noted? NO

*Federal Awards*

- Internal controls over major programs:
  - Material weaknesses identified? NO
  - Significant deficiency identified? YES
  - One significant deficiency relating to internal controls over major programs was disclosed by the audit. This was finding 2011-3.
  - That significant deficiency was not identified as a material weakness
- Type of auditor’s report issued on compliance for major programs: Qualified opinion
- Any audit findings that are required to be reported in accordance with section 510(a) of OMB Circular A-133: YES—Finding 2011-4.
- Identification of major programs:
  - Department of Justice, direct program, Public Safety Partnerships and Community Policing Grants, Federal CFDA Number 16.710
- The dollar threshold used to distinguish between Type A and Type B programs: \$300,000
- Auditee qualified as a low-risk auditee? NO

**Section II—Financial Statement Findings**

**Finding 2011-1 Internal Control over General Ledger Maintenance and Approval**

*Criteria:*

As the foundation for all financial reporting, the general ledger should be properly maintained and periodically reviewed for accuracy. The procedures for authorizing, entering and approving transactions to be posted to the general ledger should ensure that transactions are posted on a timely and accurate basis by those with the authority to do so. Those procedures should also include supervisory review and approval of both transactions and reconciliation of the general ledger with underlying supporting documents, asset and liability balances. All journal entries made to the general ledger

**Sumner County, Kansas**  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

should be documented as to rationale, approved prior to posting and documentation maintained in support of entries made. Revenue and expenses should not be netted but instead should be clearly classified.

*Condition and context:*

General ledger balances for accounts payable and payroll tax liabilities do not always agree with underlying transaction details. Cash receipts for certain types of revenue and some transfers are being classified as credits to expense accounts instead of as revenue. The classification of expenditures during the year and any amounts at year end to be accrued or encumbered are determined by the department head, with no review for accuracy made by accounting personnel. There was also one instance where the department head properly classified a January, 2012 disbursement of \$488,200 as a 2011 federal program expenditure, but due to a data entry error the expenditure was improperly recorded as a 2012 expenditure. The process of creating, supporting and approving journal entries is not well documented and is error prone.

*Effect:*

Fund revenue and departmental expenses per books are being understated by the amount of revenue being credited against expense accounts. This is generally reimbursements, but also included charges for services and grant receipts. The 2011 book expenditures were understated by the unrecorded \$488,200 liability. Since there is not an effective review that detects and corrects these items, balance sheet accounts for accounts payable, revenue and expenditures and therefore financial statements could be materially misstated. Expenses are sometimes classified to an expenditure account based on budget availability in an account instead of the appropriate expenditure account. Expenses could inadvertently exceed budget authority due to improper crediting of revenues against departmental expenses. Journal entries are not adequately explained as to rationale and are sometimes made in error.

*Cause:*

Sumner County's general ledger is maintained jointly by the County Clerk and County Treasurer, with both departments able to initiate transactions and entries. In addition, other departments access the accounts payable/disbursement processing function and generate transactions that are eventually posted to the general ledger. However, there is no clear designation of responsibility for reviewing the accuracy of general ledger account classifications made by department heads and no overall responsibility assigned for maintaining the accuracy of the account balance, although the County Treasurer has clear responsibility for balancing the cash balances per bank with the general ledger. There is not an effective review to detect and correct errors made in classifying receipts and expenditures or in the journal entry process.

*Recommendation:*

Responsibility for general ledger accuracy should be clearly assigned to an appropriate department. That department should regularly review reports and account balances to detect and correct errors. For example, since the Treasurer records and deposits all receipts, the Treasurer should review revenue account classification as a part of this

**Sumner County, Kansas**  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

process. The Clerk process all expenditures of county funds and should be reviewing department head classifications as part of that process. Overall responsibility for the general ledger should be clearly assigned. All journal entries should be supported with documentation and be clear as to purpose and rationale. All supervisory review and approval procedures should be performed by someone with adequate accounting knowledge, experience and training.

*Views of Responsible Officials and Planned Corrective Action:*

Management concurs with this finding. Management will assess how this recommendation can be implemented and take steps to improve the accuracy of the general ledger.

**Finding 2011-2: Internal Controls over Preparation of Schedule of Expenditures of Federal Awards (SEFA)**

*Criteria:*

OMB A-133 §\_300(a) and (d) requires auditees to identify all federal awards, including CFDA numbers and to prepare appropriate financial statements in accordance with §\_310.

*Condition:*

Management was unaware of the specific requirements of the SEFA, including CFDA numbers and amounts of federal awards expended during the audit period.

*Context:*

In addition to one major program, there were numerous small federal awards spread among multiple departments. Not all awards were properly classified on the general ledger as federal awards so that a SEFA could be properly prepared. Though department heads had some knowledge regarding awards they received, and there were centralized files for some federal awards, management does not have an adequate system for accumulating the necessary expenditure amounts or federal CFDA numbers to prepare a SEFA.

*Effect:*

Without knowing of these reporting requirements, management would not be able to properly prepare the schedule of expenditures of federal awards. Some awards might be omitted from the SEFA or improperly identified. Without proper identification of federal awards expended, complete information is not readily available to prepare a SEFA, determine if the audit threshold under OMB A-133 has been met or to determine of major funds subject to audit.

*Cause:*

Until the 2010 audit, the auditee has not been required to prepare a schedule of expenditures of federal awards for at least the last 10 years and has not had adequate

**Sumner County, Kansas**  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

experience in the administration of federal programs, including reporting. Although during the 2010 audit management was made aware of this issue, it was late in 2011 and management was not able to correct this issue in 2011.

*Recommendation:*

Management should become familiar with the requirements for preparation of the schedule of expenditures of federal awards and should develop an entity wide system for accumulating the required information. Management should assign this responsibility to a single person or department instead of the current decentralized system. The responsible person or department should use a disclosure checklist in identifying awards received and in evaluation of the non-audit services of drafting the schedule of expenditures of federal awards.

*Views of Responsible Officials and Planned Corrective Action:*

Management concurs with this finding and has begun to maintain a centralized file of awards received and expended in the County Clerk's office.

**Finding 2011-5 Internal Control over Tax Collections and Distributions**

*Criteria:*

The County Treasurer is responsible for collection of property and other taxes from its constituents and for distribution of those taxes to other taxing districts within the County. Property and other tax collections are distributed to the taxing districts based on the payment of those taxes by the constituents of each district. The County also operates a Neighborhood Revitalization Program (NRP) that refunds to taxpayers a share of taxes paid on qualifying improvements to real property. These refunds should be allocated to the taxing districts based on the tax originally collected on their behalf and reduce the amount to be distributed to the taxing districts.

*Condition:*

There was an overpayment of property tax collections to the taxing districts in 2011 of \$766,523 due to undistributed Neighborhood Revitalization Program (NRP) refunds. These refunds were paid to qualified participants in the program, but were not allocated to the taxing districts and were not withheld from them. There were several small tax and fee accounts that contain old undistributed balances that should be allocated to the districts. There was no reconciliation of two small accounts, Fund 129 Taxes in Suspension and Fund 130 Taxes in Escrow, with underlying transactions. There was no timely reconciliation of the 2010 ad valorem tax account with the tax roll.

*Context:*

**Sumner County, Kansas**  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

The County Treasurer collects and performs apportionments on current ad valorem tax, motor vehicle tax, delinquent real estate tax, delinquent personal property tax and other less significant taxes as well as the NRP rebates. The county has a software package that performs the calculations based on the detail property tax collections (or refunds in the case of the NRP) transactions. The NRP error began in 2010 and continued into 2011 until detected by the auditor. No similar error, or any other significant difference in property tax collections or distributions occurred. The NRP apportionments that were not allocated had been properly calculated using the software and processed up to the point of posting the apportionment. The final posting step was omitted which led to the overpayment of the taxing districts.

*Effect:*

There was an overpayment to taxing districts of \$720,773 in 2010 and \$766,523 in 2011 which continued until detected during the 2010 audit. There are small unreconciled and undistributed account balances in both tax and fee collection accounts, most of which are due to the County General Fund. The reconciliation of the 2010 ad valorem tax roll was not performed until the third quarter of 2011, nearly a year after the final disbursement to tax districts, at which time it was discovered that necessary reports of delinquent taxes were not timely prepared and could not be duplicated at the time of reconciliation.

*Cause:*

While the direct cause of the overpayment of tax funds to the tax districts was the omission of the final procedure to post the NRP allocation to the taxing district's accounts, the underlying cause was the lack of supervisory review and approval of the allocation (or apportionment) process. There is also an over reliance on the County's software to properly calculate and allocate these taxes and refunds that results in the mechanical performance of the apportionment but not a subsequent overall review of the process for accuracy and reasonableness. Unusual processes for the small tax accounts noted above are outside of the software's abilities and are sometimes overlooked. There was not a timely review or reconciliation process of the tax accounts performed.

*Recommendation:*

There should be a review and approval of each apportionment by appropriate supervisory personnel after every apportionment of tax or NRP refunds. This review should include an analysis of the general ledger accounts to determine that the apportioned taxes properly reduce the tax control account as expected. Old undistributed balances in fee funds should be investigated and properly distributed. Account balances in Fund 129 and 130 should be reconciled to underlying transactions. The ad valorem tax roll reconciliation should be performed each year as soon as feasible after the end of the property tax cycle.

*Views of Responsible Officials and Planned Corrective Action:*

Management concurs with this finding. A newly elected County Treasurer has taken some steps to implement these recommendations and will continue to implement them as soon as possible.

***Sumner County, Kansas***  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

**Finding 2011-6: Internal Controls over Disbursement Processing**

*Criteria:*

Internal controls over the disbursing of funds for goods and services should ensure that only properly supported, valid claims against the entity are paid. These disbursements should be approved by the appropriate level of management and should be accurately classified as to type of expense being paid.

*Condition:*

Disbursement processing and approval is decentralized, with three off-site departments directly accessing the disbursement processing system and the County Clerk's office processing all other department's disbursements. Though the claims of departments independently processing their disbursements are internally audited by those departments, there is not an adequate entity wide review and approval process by management. Some disbursements, such as appropriations to affiliated entities and federal award disbursements are process outside of the normal claims process. Compliance with the County's bid policy is not well documented or is there a review for compliance with the bid policy being done prior to processing of payments to vendors.

*Context:*

There are three departments processing their own disbursements and they expend a material amount each year. While there is an effective internal review and audit of the expenditures at the department level for two of the departments, there is no internal audit or review at one department. There is no overall review by accounting personnel of the expenditures of any of the three departments. Supporting documents are maintained at the departments and are not forward for additional management review. After these departments process their disbursements, the checks are printed and distributed by the County Clerk. There were a small number of appropriations to affiliated entities and grant payments that were not subject to management approval, but were disbursed directly by the Treasurer.

*Effect:*

Without a consistent entity-wide review and approval process, it is possible that claims may not be adequately internally audited and be improperly paid. Without enforcement of the County's bid policy, purchases may not be from the most desirable vendor.

*Cause:*

County operations are located in physically separate locations, with management and purchasing by departments being decentralized. Disbursement processing follows these decentralized management functions instead of a more centralized process. There is no finance director function within management to provide an overall review and approval process. There was some confusion by the County Treasurer in disbursing appropriations to affiliated entities at the same time and in the same manner as was done by the Treasurer for taxing districts. A circumvention of the normal disbursement processing procedure was done in a few cases in an effort to reduce the amount of time federal funds were on hand prior to disbursement.

***Sumner County, Kansas***  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

*Recommendation:*

Management may continue department head initiation and preliminary approval of disbursements, but should institute additional review and approval procedures at the entity level. All disbursements should be reviewed at the entity level for proper supporting documentation, accuracy, expenditure classification and department head approval. Alternatively, management may wish to consolidate disbursement processing at the entity level as is currently done for all other departments. All disbursements of County funds should follow the prescribed procedures that allow for internal auditing and review.

*Views of Responsible Officials and Planned Corrective Action:*

Management concurs with this finding and will begin partial implementation as soon as possible. Management will review its disbursement processing system to determine the most feasible course of action.

***Sumner County, Kansas***  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

**Section III—Federal Award Findings and Questioned Costs**

**Finding 2011-3: Internal Control over Identification of Federal Awards and their Compliance Requirements**

*Information on the federal programs:*

This finding affects all federal programs.

*Criteria:*

OMB Circular A-133 § 300 Auditee Responsibilities lists responsibilities of entities receiving federal awards as follows, “ The auditee shall: (a) Identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable, the CFDA title and number, award number and year, name of the Federal agency, and name of the pass-through entity. (b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs. (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs. (d) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards...”

*Condition:*

The County does not have an effective system to accurately identify all federal funds received and their related compliance and financial reporting requirements . Some of the federal funds received were classified in the general ledger as from a non-federal source or credited to an expense account as a reimbursement. For awards identified as federal, there is not an adequate system to maintain required information and identify compliance requirements regarding the awards. In prior years, knowledgeable third party administrators were retained to assist with compliance, but there was an inability to independently identify some of the direct and material compliance requirements or to adequately asses risk of noncompliance and monitor compliance activities. For other federal programs for which there was no consultants to assist with compliance, there was minimal identification of compliance requirements and minimal monitoring of internal controls over compliance. Due to errors in classification of expenditures for some programs, underlying general ledger accounts did not adequately identify project expenditures as being expenditures of federal funds.

*Questioned Costs:* There are no questioned costs associated with this finding.

**Sumner County, Kansas**  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

*Context:*

This is a systemic condition and applies to all federal awards. However, in prior years for major programs that had complex compliance requirements, the County engaged third party administrators to assist with compliance which provided more effective controls. Though there were classification errors, information was available to accurately identify the program expenditures. For the major program audited in 2011, a single procurement contract with two disbursements in 2011 and the simplicity of the program lowered the required compliance activities to a minimum. However, the requirements applicable to the equipment property records of the County were not identified by management and the County did not meet this program requirement (see Finding 2011-4).

*Effect:*

If federal awards are not accurately identified the county may be unable to implement appropriate internal controls, comply with federal requirements or prepare the schedule of expenditures of Federal awards. Without identifying compliance requirements and assigning responsibility for them, it is likely the County may not comply with all federal requirements. Noncompliance could lead to repayment of federal funds or disqualification from future participation in federal awards. Expenditures of federal funds were not identifiable on the general ledger without proposed audit adjustments made by the County.

*Cause:*

The county's history with respect to federal awards is that it applies for and receives several small awards each year and had not required a Single Audit for at least the 10 years preceding the 2010 Single Audit. The application for and expenditure of the smaller awards is decentralized throughout department heads, without a complete central file of grants awarded. This lack of experience and training regarding federal awards, along with the decentralized approach to administration results in this control deficiency. Since the 2010 Single Audit was not performed until 2011, the County was unaware of this deficiency in time to correct it for 2011.

*Recommendation:*

The county should establish written policies and procedures for centralizing information about federal awards applied for, received and expended. Included in the records maintained should be the required identifying information, an assessment of the direct and material compliance requirements for each federal award and assignment of responsibility for administration of the federal awards. A separate fund should be established to account for larger federal awards. The county may wish to consider appointing a federal projects coordinator who would have oversight over all federal awards. This coordinator should receive training and resources to adequately perform risk assessments, design control activities, communicate regarding grant requirements and monitor compliance.

**Sumner County, Kansas**  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

*Views of Responsible Officials and Planned Corrective Action:*

Management concurs with this finding and will begin centralizing its files with respect to federal awards and implement a system to identify federal awards received. Management will further review how federal awards can be administered and responsibility appropriately assigned.

**Finding 2011-4: Compliance With Equipment Inventory Records Requirements**

*Information on the federal programs:*

This finding related to the Department of Justice, Public Safety Partnership and Community Policing Grants program, CFDA number 16.710. This program was a direct program, identified as 2009CKXW0525, 09-NSP-020X3-7B, awarded in 2009 and expended in 2010 and 2011.

*Criteria:*

OMB Circular A-133 states that “local governments and Indian tribes shall follow the A-102 Common Rule for equipment acquired under Federal awards received directly from a Federal awarding agency.” Under these requirements, property records of equipment acquired under Federal awards are required to be maintained. Such records should contain, if applicable: description (including serial number or other identification number), source, who holds title, acquisition date and cost, percentage of Federal participation in the cost, location, condition, and any ultimate disposition data.

*Condition:*

The County does maintain equipment inventory records, but these records do not include all required information. Not all equipment acquired with major program funds was included in the equipment inventory records.

*Questioned Costs:*

None.

*Context:*

There were fourteen (14) items of equipment purchased under the program in 2011 totaling approximately \$60,000. Ten (10) items were included in the equipment records, four (4) were not. The recorded items did not reflect original cost or that they were acquired under a Federal award. Since there were no record fields present for this data, the same condition would apply to all items acquired by the County under federal awards.

*Effect:*

Without required records, the County may be unable to provide documentation of location, use and ultimate disposition of equipment acquired under Federal programs.

***Sumner County, Kansas***  
**Schedule of Findings and Questioned Costs**  
*For the Year Ended December 31, 2011*

*Cause:*

The award was applied for and partially administered by a department head who resigned prior to completion of the program. While the successor was able to continue administering the grant and file required reports, there was no identification of this program compliance requirement made by anyone in the organization (see Finding 2011-3). Although the County does inventory and maintains records of equipment, those records do not contain fields for the information required under the program.

*Recommendation:*

Due to the relatively small number of equipment items acquired under Federal programs and the unique information required, I would recommend that separate equipment records be maintained for these items, rather than modification of the existing records.

*Views of Responsible Officials and Planned Corrective Action:*

Management concurs with this finding and will begin identifying and recording equipment acquired under a Federal program in a separate record.