

**AUDITED FINANCIAL STATEMENT  
AND SUPPLEMENTARY INFORMATION**

**POTTAWATOMIE COUNTY, KANSAS**

**December 31, 2018**

Reese & Novelly, PA  
*Certified Public Accountants*  
Warrego, Kansas

# **Audited Financial Statement and Supplementary Information**

## **Pottawatomie County, Kansas**

### **Year Ended December 31, 2018**

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REESE & NOVELLY, P.A.

Certified Public Accountants

Rick I. Reese, CPA  
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Carol E. McCullough, CPA

## INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Pottawatomie County, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Pottawatomie County, Kansas (Municipal Financial Reporting Entity), as of and for the year ended December 31, 2018 and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the standards applicable to financial audits in the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note A of the financial statement, the financial statement is prepared by Pottawatomie County, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Pottawatomie County, Kansas, as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

*Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Pottawatomie County, Kansas, as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2019, on our consideration of Pottawatomie County, Kansas’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Pottawatomie County, Kansas internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pottawatomie County, Kansas’s internal control over financial reporting and compliance.

*Other Matters*

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedules of receipts and disbursements-related municipal entities, composition of ending cash balances, tax roll reconciliation, schedules of receipts and disbursements-individual agency funds, accounts receivable-charges, credits, and balance (Schedules 4, 5, 6, 7, and 8 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, nor are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

*Reese & Novelly, P.A.*

Wamego, Kansas  
May 21, 2019

**REGULATORY  
FINANCIAL STATEMENT  
AND NOTE DISCLOSURES**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds:</b>							
General	\$ 11,734,986	\$ 122,137	\$ 26,824,420	\$ 25,633,827	\$ 13,047,716	\$ 426,658	\$ 13,474,374
<b>Bond and Interest Funds:</b>							
Bond and Interest	813,959		2,379,398	2,183,126	1,010,231		1,010,231
<b>Special Purpose Funds:</b>							
Court Trustee	3,574		64		3,638		3,638
Regional Library	7,063		381,048	385,528	2,583		2,583
Rural Highway System	1,525,723	30,879	3,552,723	3,044,767	2,064,558	82,709	2,147,267
Tort Liability	175,308		104,540	92,705	187,143		187,143
Historical Society	128,533		46,875	64,645	110,763		111,803
Special Parks and Recreation	112,138		7,719	1,072	118,785	1,040	118,785
Special Alcohol Program	77,344		14,767	16,000	76,111		76,111
Regional Library Employee Benefit Fund	1,366		43,309	44,130	545		545
Noxious Weed Chemical	105,261		224,819	238,426	91,654		91,654
E-911	85			85			
County 911	287,287		153,527	146,669	294,145		294,145
Offender Registration Fund	13,739		6,720	2,600	17,859		17,859
Special Highway Improvement	5,001,229	2,600	350,395	2,406,762	2,947,462	867,325	3,814,787
Attorney Check Fee	24,363		2,180		26,543		26,543
Attorney Forfeiture Fund	3,784		189	267	3,706		3,706
Law Enforcement Trust	5,815		7,972		13,787		13,787
Capital Improvement	5,002,353		2,150,000	250,948	6,901,405	61,405	6,962,810
Equipment Reserve	902,847		284,320	266,764	920,403	27,000	947,403
Prosecuting Attorney Training	4,776		3,378	2,667	5,487		5,487
Special Auto	152,404		199,390	190,835	160,959		160,959
Deeds Technology	73,005		36,878	43,088	66,795		66,795

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



**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Special Purpose Funds (continued):</b>							
VIN Registration Fees	77,616		26,662	2,500	101,778		101,778
Clerks Technology	14,098		9,220	10,398	12,920		12,920
Employee Benefit Reserve Fund			500,000		500,000		500,000
Treasurers Technology	23,986		9,220	371	32,835		32,835
<b>TOTAL SPECIAL PURPOSE</b>	<b>13,723,697</b>	<b>33,479</b>	<b>8,115,915</b>	<b>7,211,227</b>	<b>14,661,864</b>	<b>1,039,479</b>	<b>15,701,343</b>
<b>Capital Projects:</b>							
Junietta/Moody Improvements			1,772,726	1,772,693	33	879,300	879,333
Timber Creek Stormwater	12,713				12,713		12,713
Green Valley/Highway 24 Intersection	2,180,478			230,839	1,949,639	38,528	1,988,167
Nelsons Ridge Unit 5 Construction	293,468		882,086	1,175,554	-		-
Wildcat Woods Unit 2 Construction	147,137		1,006,918	1,114,055	40,000		40,000
Brook Ridge 3 Construction	187,301		751,028	938,329	-		-
Whispering Meadows 5 Construction			1,822,077	1,822,077	-		-
Havensville Fire Station Construction			300,000	110,675	189,325		189,325
Nelsons Ridge Unit 6 AW & Phase 1			2,200,917	205,025	1,995,892		1,995,892
John Scott/Grantham Paving	120,788		397,694	518,482	-		-
Consolidated FD #1 Lease Purchase			440,000	237,534	202,466		202,466
<b>TOTAL CAPITAL PROJECTS</b>	<b>2,941,885</b>	<b>-</b>	<b>9,573,446</b>	<b>8,125,263</b>	<b>4,390,068</b>	<b>917,828</b>	<b>5,307,896</b>
<b>Business Funds:</b>							
Blue Township Sewer Operations	828,731	2,982	823,026	717,123	937,616	62,000	999,616
Blue Township Sewer Reserve	880,688		169,816	76,212	974,292		974,292
Timbercreek Water Operations	137,735	70	150,380	129,230	158,955	619	159,574
Timbercreek Water Reserve	460,417		44,246	39,762	464,901	7,497	472,398
Fostoria Sewer Operations	24,053		4,745	2,032	26,766		26,766
Fostoria Sewer Reserve	21,704		1,844		23,548		23,548

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

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
REGULATORY BASIS**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Business Funds (continued):</b>							
Brook Ridge Sewer Operations	35,003		16,125	6,917	44,211		44,211
Brook Ridge Sewer Maintenance	11,143			11,143	-		-
Brook Ridge Sewer Reserve	38,950		16,843		55,793		55,793
<b>TOTAL BUSINESS</b>	<b>2,438,424</b>	<b>3,052</b>	<b>1,227,025</b>	<b>982,419</b>	<b>2,686,082</b>	<b>70,116</b>	<b>2,756,198</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>31,652,951</b>	<b>158,668</b>	<b>48,120,204</b>	<b>44,135,862</b>	<b>35,795,961</b>	<b>2,454,081</b>	<b>38,250,042</b>
<b>Related Municipal Entities:</b>							
<b>Fire Districts:</b>							
Joint No. 3 General Fund	103,229	574	44,188	73,359	74,632		74,632
No. 5 General Fund	271,452		213,922	289,000	196,374	18,363	214,737
No. 6 General Fund			2	2	-		-
No. 10 General Fund			267	267	-		-
Consolidated Fire District #1	115,795		958,151	929,916	144,030	143,734	287,764
Consolidated Fire District #1 Reserve	570,000		50,000	429,291	190,709		190,709
Pottawatomie County Economic Development Corporation	1,298,162		574,373	369,770	1,502,765	3,643	1,506,408
Pottawatomie County Extension Council	116,363		268,326	273,474	111,215		111,215
<b>TOTAL RELATED MUNICIPAL ENTITIES</b>	<b>2,475,001</b>	<b>574</b>	<b>2,109,229</b>	<b>2,365,079</b>	<b>2,219,725</b>	<b>165,740</b>	<b>2,385,465</b>
<b>TOTAL REPORTING ENTITY</b>	<b>\$ 34,127,952</b>	<b>\$ 159,242</b>	<b>\$ 50,229,433</b>	<b>\$ 46,500,941</b>	<b>\$ 38,015,686</b>	<b>\$ 2,619,821</b>	<b>\$ 40,635,507</b>

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

# SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

## POTTAWATOMIE COUNTY, KANSAS

Year Ended December 31, 2018

### Composition of Cash:

Checking accounts	\$ 8,566,623
Certificates of deposit	31,900,000
Municipal Investment Pool	31,215,020
Change fund and petty cash	850
Savings	7,742
Clerk of the District Court	115,371
Pottawatomie County Sheriff	5,027
Law Library	52,543
Pottawatomie County Economic Development Corporation (Related Municipal Entity)	1,506,408
Pottawatomie County Extension Council (Related Municipal Entity)	111,215
	<hr/>

### TOTAL CASH

73,480,799

### Agency Funds per Schedule 3

(32,845,292)

### TOTAL REPORTING ENTITY (EXCLUDING AGENCY)

\$ 40,635,507

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2018

#### NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pottawatomie County, Kansas (Municipality) is a municipal corporation governed by an elected three-member commission. This regulatory financial statement presents the Municipality (the primary government) and its related municipal entities. The accounting policies of the Municipality conform to the cash-basis and budget laws of Kansas (regulatory basis). The following is a summary of the more significant policies:

1. The Financial Reporting Entity: The financial reporting entity of Pottawatomie County, Kansas, is comprised of the primary government (the Municipality) and its related municipal entities.

The basic criterion for including a separate entity in the Municipality's financial reporting entity is the financial accountability of the Municipality for the separate entity. The Municipality is financially accountable if it appoints a voting majority of a related municipal entity's governing body and if it either has the ability to impose its will on the related municipal entity or there is a potential for the related municipal entity to provide certain financial benefits to, or impose certain financial burdens on, the primary government.

The related municipal entities are included in the Municipality's reporting entity because they are established to benefit the Municipality and/or its constituents.

- a. *Fire Districts*: Each of the Fire Districts is a separate legal entity, formed by State Statutes under the Municipality. The governing bodies are appointed by the County Commissioners. Each district levies its own tax and provides fire protection services to their local rural communities based upon established boundaries. Separate financial statements of each Fire District may be obtained from the County Administrator's office.
  - b. *Pottawatomie County Economic Development Corporation (PCED)*: A separate legal entity in which the County Commissioners appoint the governing body. The Municipality annually provides significant operating subsidies to the PCED. Separate financial statement of PCED may be obtained by contacting their office in Wamego, Kansas.
  - c. *Pottawatomie County Extension Council (PCEC)*: A separate legal entity, formed under state statute K.S.A. 2-610, in which the governing body is elected annually. The PCEC provides services in such areas as agriculture, home economics, and 4-H clubs, to all persons in the County. The Municipality annually provides significant operating subsidies to the PCEC. Separate financial statement of PCEC may be obtained by contacting their office in Westmoreland, Kansas.
2. Regulatory Basis Fund Types: The accounts of the Municipality are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its cash, liabilities, fund balance, receipts, and expenditures.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statement in this report, into generic regulatory basis fund types and broad fund categories as follows:

#### *Governmental Funds*

The General Fund is the chief operating fund of the Municipality. It is used to account for all financial resources except those that are required to be accounted for in another fund.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than capital project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Funds are used to account for the accumulation of resources, including tax levies, transfer from other funds and payment of general long-term debt.

Capital Projects Funds are used to account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

#### *Business Funds*

Business Funds are used to account for operations that provide goods or services to the general public on a continuing basis. Such operations are financed and operated in a manner similar to private business entities and (a) are intended to be self supporting through charges to users or (b) the governing body has deemed it appropriate to account for them as business funds for capital maintenance, public policy, management control, accountability, or other purposes.

#### *Fiduciary Funds*

Trust Funds are used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Funds are used to account for assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.).

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America: The municipal reporting entity prepares the financial statement using *Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting, which is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas.

The *KMAAG* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The *KMAAG* regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflow or outflows, other than those mentioned above.

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

4. Budgetary Information: Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:
  - a. Preparation of the budget for the succeeding calendar year on or before August 1.
  - b. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
  - c. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
  - d. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund; County policy requires such transfers to be approved by the County Commissioners. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for capital project funds, trust funds and the following special purpose and business funds:

*Special Purpose Funds:* Special Highway Improvement; Attorney Check Fee; Attorney Forfeiture Fund; Law Enforcement Trust; Capital Improvement; Equipment Reserve; Prosecuting Attorney Training; Special Auto; Deeds Technology, VIN Registrations, Clerks Technology, Treasurers Technology, Employee Benefit Reserve

*Business Funds:* Blue Township Sewer Reserve; Timbercreek Water Reserve; Fostoria Sewer Reserve; Brook Ridge Sewer Reserve

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

5. Special Assessments: Projects financed in part by special assessments are financed through general obligation bonds of the Municipality and/or revolving loans issued by the Kansas Department of Transportation. Both of which are retired either from the General Fund or the Bond and Interest Fund as appropriate. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as receipts in the General Fund or Bond and Interest Fund as appropriate.
6. Cash and Investments: The Municipality uses an internally pooled cash system in which the cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments, unless specifically designated, are allocated to the general fund and the utility funds based upon their average cash balances. Investments are stated at cost, which approximates market.
7. Reimbursements: The Municipality records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the reimbursement is recorded as a qualifying budget credit in the fund receiving the reimbursement.

8. Property Taxes: In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis 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 within 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 in 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.

#### **NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

1. Amendments to Legal Budgets: There were no budget amendments in 2018.

#### **NOTE C – DEPOSITS AND INVESTMENTS**

As of December 31, 2018, the Municipality had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
Certificate of Deposits	\$ 31,900,000	Less than 1 year	N/A
Kansas Municipal Investment Pool	31,215,020	Less than 1 year	N/A
Total Fair Value	<u>\$ 63,115,020</u>		

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

K.S.A. 12-1675 limits the Municipality'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 Municipality has no investment policy that would further limit its investment choices. The rating of the Municipality's investments is noted above.

*Concentration of credit risk*: State statutes place no limit on the amount the Municipality may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The Municipality's allocation of investments as of December 31, 2018, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Certificates of Deposits	51%
Kansas Municipal Investment Pool	49%



*Custodial credit risk – deposits:* Custodial credit risk is the risk that in the event of a bank failure, the Municipality's deposits may not be returned to it. State statutes require the Municipality's deposits in financial institutions to be entirely covered by federally depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The Municipality's designated "peak periods" are from December 1 – January 29 and May 1 – June 29.

At December 31, 2018, the carrying amount of the Municipality's deposits, including certificates of deposit, was \$40,648,149 and the bank balance was \$41,433,541. The bank balance was held by six banks resulting in a concentration of credit risk. Of the bank balance, \$25,488,891 was covered by federal depository insurance and \$15,944,650 was collateralized with securities held by the pledging financial institutions' agents in the Municipality's name.

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

At December 31, 2018, the Municipality had invested \$31,215,020 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature.

State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Related Municipal Entity Cash Balances:

The cash of the Fire Districts was held by the County in an agency capacity and is included in the above analysis.

At year-end, the carrying amount of the Pottawatomie County Economic Development's deposits including certificates of deposit was \$1,506,408 and the bank balance was \$1,513,831. Of the bank balance, \$352,567 was covered by FDIC insurance and the remaining \$1,161,264 was collateralized with securities held by the pledging financial institutions' agents in Pottawatomie County Economic Development's name.

Of the above balance, \$102,567 is being held in a fund with Kansas Rural Communities Foundation (KRCF) for Pottawatomie County Economic Development (PCED) which can be withdrawn at any time and used for whatever purposes PCED sees fit. KRCF retains any interest earned on the funds as payment for handling the funds.

At year-end, the carrying amount of the Pottawatomie County Extension's deposits was \$111,215 and the bank balance was \$126,373. The entire bank balance was covered by FDIC insurance.

## NOTE D—LONG TERM DEBT

The following is a summary of debt transactions of the Municipality, for the year ended December 31, 2018. See Notes N and O for the schedules of long-term liabilities and current maturities of long-term debt.

	Payable Beginning of Year	Issued	Retired	Payable End of Year
General Obligation Bonds	\$ 11,916,329	\$ 4,380,000	\$ 1,226,100	\$ 15,070,229
Revolving Notes	1,932,334		116,456	1,815,878
Temporary Notes	3,360,000	5,215,000	6,375,000	2,200,000
Total	<u>\$ 17,208,663</u>	<u>\$ 9,595,000</u>	<u>\$ 7,717,556</u>	<u>\$ 19,086,107</u>

Total interest expense for the year was \$392,678.

The general obligation bonds encompass project related expenditures for general obligation (street improvements as allowed per K.S.A. 68-709 and 68-28) in addition to expenditures related to the respective sewer and water districts (as allowed per K.S.A. 19-27a07 and 19-3540). The entire amount of the debt is accounted for in the General Bond and Interest fund.

The amount of debt for each type is as follows:

	Water Districts	Sewer Districts	Street Improvements	Fire Station	End of Year
General Obligation Bonds	\$1,698,786	\$2,899,905	\$9,751,538	\$720,000	\$15,070,229

### Advanced Refunding

On October 10, 2018, the County issued \$4,080,000 in General Obligation Bonds with an average interest rate of 3.5 percent. The proceeds were used to pay the cost of improvement projects benefiting special improvement districts within the County, and to redeem prior to their respective stated maturities the Refunded Bond and certain temporary notes of the County, and the costs of issuance of the Bonds. The net proceeds of \$4,197,855 were used to advance refund various series of bonds and loans with a total principal amount of \$4,615,000 as follows:

Source of Debt	Average Interest Rate	Outstanding Principal
2008B General Obligation Bond	5.12%	\$ 115,000
2010A General Obligation Bond	4.28%	110,000
2012A General Obligation Bond	3.91%	70,000
2018-1 Temp Note	1.92%	960,000
2018-2 Temp Note	1.75%	980,000
2018-3 Temp Note	1.75%	1,075,000
2017-8 Temp Note	1.35%	825,000
2017-9 Temp Note	1.67%	480,000
Principal Amount of Bonds		<u>\$ 4,615,000</u>

As a result, the refunded bonds are considered to be defeased, and the related liabilities for the bonds have been removed from the County's liabilities. The advance refunding decreased the County's total debt service by approximately \$30,300.

The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$23,909.

#### Bonded Indebtedness Limitation

Kansas statutes restrict the level of the authorized and outstanding bonded indebtedness of the Municipality to not more than three percent of the assessed value of all tangible property within such county, as certified to the County Clerk on the preceding August 25.

Total Assessed Valuation as of November, 2017	\$ 579,027,599
3% Debt Limit	17,370,828
 Total Outstanding General Obligation Debt	 15,070,229
Less Portions Excluded per K.S.A. 19-27a07 & 19-3540	(4,598,691)
Less Portions Excluded per K.S.A. 68-728	(9,751,538)
Total Outstanding Eligible General Obligation Debt	<u>720,000</u>
General Obligation Debt Margin	<u>\$ 16,650,828</u>

#### Related Municipal Entity Long-Term Debt

Consolidated Fire District #1 was obligated at December 31, 2018 for a capital lease of \$440,000 primarily covering equipment, expiring through 2023, at an imputed interest rate of 3.375 percent. The proceeds were receipted into the Consolidated FD #1 Lease Purchase capital project fund.

	Payable Beginning of Year	Issued	Retired	Payable End of Year
Capital Leases	<u>0</u>	<u>440,000</u>	<u>0</u>	<u>440,000</u>

Total interest expense for the year was \$0.

#### **NOTE E—DEFINED BENEFIT PENSION PLAN**

##### General Information about the Pension Plan

*Plan Description:* Pottawatomie County, Kansas participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, et. seq. 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. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

*Contributions:* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015.

Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.39% for KPERS and 20.09% for KP&F for the fiscal year ended December 31, 2018. Contributions to the pension plan from the municipality were \$587,448 for KPERS and \$614,032 for KP&F for the year ended December 31, 2018.

#### Net Pension Liability

At December 31, 2018, the municipality's proportionate share of the collective net pension liability reported by KPERS was \$4,883,882 and \$3,950,906 for KP&F. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. Pottawatomie County, Kansas's proportion of the net pension liability was based on the ratio of the municipality's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

#### **NOTE F —DEFERRED COMPENSATION**

The Municipality sponsors a salary deferral plan that covers all full-time employees who have met certain service requirements. Contributions to the plan with the exception of required matching contributions are at the discretion of the County Commissioners. During 2018 the retirement plan expense was approximately \$112,115.

## NOTE G—OTHER POST EMPLOYMENT BENEFIT

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

Under the Consolidated Budget Reconciliation Act (COBRA), the municipality makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

## NOTE H—COMPENSATED ABSENCES

The Municipality provides certain vacation time benefits, i.e., paid time off, to full and part-time employees based upon length of service with the Municipality and contractual agreements. Unused vacation time up to a maximum of 160 hours (unless stated otherwise in the employment contract) is paid to the employee or legal representative of the employee upon termination of employment, retirement or death. Payment of unused vacation time is based upon the employee's rate of pay at the time of termination, retirement or death.

At December 31, 2018, the County's liability for unused vacation time is approximately \$463,435 attributable entirely to governmental funds.

## NOTE I—CAPITAL PROJECTS

At year-end, capital projects authorizations with approved change orders compared with expenditures from inception are as follows:

Project Name	Expenditures To Date	Project Authorizations
Nelson's Ridge Unit 5	\$ 886,260	\$ 1,101,229
Wildcat Woods Unit 2	1,011,048	1,232,238
Brook Ridge Phase 3	762,466	852,300
John Scott/Grantham Paving	397,754	560,000
Whispering Meadows Unit 5	862,077	1,146,912
Olsburg Fire Station	566,345	566,345
Vineyard Road South	736,899	736,899
HRRR Sign	306,741	308,795
Nelson's Ridge Unit 6 AW & Phase 1	205,027	3,168,206
Wildcat Woods Unit 3	328	961,014
Heritage Hills Unit 1	81,608	1,343,921
Gwaltney Subdivision	5,658	513,993
Havensville Fire Station	451,788	632,214
Junietta/Moody Road Improvements	1,772,693	1,772,693
Crown C Intersection	93,826	1,068,826
Green Valley Road	1,231,204	1,231,204
Green Valley/Hwy 24 Intersection	452,168	4,582,591
Total	\$ 9,823,890	\$ 21,779,380

HRRR Sign – this capital project is funded in part by outside sources in an amount up to \$265,000 which is included in the amounts expended to date and amounts authorized.

Junietta/Moody Road Improvements – this capital project is funded in part by outside sources in an amount of \$1,100,000 which is included in the amounts expended to date and amounts authorized.

Crown C Intersection – this capital project is funded in part by outside sources in an amount up to \$975,000 which is included in the amounts authorized.

Green Valley/Hwy 24 Intersection – this capital project is funded in part by outside sources in an amount up to \$2,500,000 which is included in the amounts authorized.

#### **NOTE J—COMMITMENTS AND CONTINGENCIES**

Construction Contracts: At December 31, 2018, the Municipality had several pending construction project contracts. Commitments related to significant contracts include contracts for the Municipality's street improvements.

Risk Management: The Municipality is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Municipality manages these various risks of loss through commercial insurance with varying deductibles. All deductibles are \$1,000 or less. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Litigation: There are a number of claims and/or lawsuits to which the Municipality is a party as a result of matters and complaints arising in the ordinary course of Municipality activities. The Municipality's management and legal counsel anticipate that the potential claims against the Municipality not covered by insurance, if any, resulting from such matters would not materially affect the financial position of the Municipality.

Solid Waste Landfill Post-closure Care Costs: The Municipality closed its solid waste facility and received approval over the period of 1993 through 1995. Any liability for post-closure care costs associated with the landfill has not been determined. The Municipality incurs costs annually to monitor the closed facility.

## NOTE K—TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	PC Economic Development	Commission	\$ 230,000
General Fund	PC Extension Services	Commission	211,000
General Fund	Equipment Reserve Fund	KSA 19-119	284,320
General Fund	Special Highway	KSA 68-590	350,000
General Fund	Employee Benefit Reserve	Commission	500,000
General Fund	Capital Improvement Fund	KSA 19-120	2,150,000
Bond & Interest Funds	Bond & Interest Funds	Commission	623,827
Rural Highway Fund	General Fund	Commission	1,412,528
Rural Highway Fund	Capital Project Fund	Commission	672,726
Utility Operations Funds	Utility Reserve Funds	KSA 19-120	44,246
Utility Operations Funds	Utility Reserve Funds	KSA 12-631o	25,904
Special Auto Fund	General Fund	KSA 8-145	152,404
Fire District #6	Consolidated Fire District #1	KSA 79-2958	2
Fire District #10	Consolidated Fire District #1	KSA 79-2958	267
Consolidated Fire District #1	Consolidated FD #1 Reserve	KSA 19-119	50,000
Consolidated Fire District #1	Bond & Interest Fund	Commission	128,940
			<u>\$ 6,836,164</u>

## NOTE L—CONCENTRATIONS

The Municipality receives approximately 48% of its ad valorem taxes from one taxpayer who operates a coal burning electric generation plant located in the County.

## NOTE M—MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

In January 2019, the County entered into a lease purchase agreement with Kaw Valley State Bank for a 2018 Spartan pumper truck for fire district #5. The lease purchase is payable in semi-annual installments thru April 2024 and is for \$200,000 at an interest rate of 3.35%.

In January 2019, the County entered into an engineering service contract for approximately \$73,000 and construction contract for approximately \$679,000 in regards to the Wildcat Woods Unit 3 project. This project is estimated to be completed in 2019 and has been funded by temporary notes of \$850,000 with Kaw Valley State Bank at an interest rate of 3.58%.

In February 2019, the County approved \$1,200,000 of temporary notes with Central National Bank at an interest rate of 2.98% to finance the Heritage Hills Unit 1 project. In December 2018, Commission approved a construction contract for approximately \$1,000,000 in regards to this project. The project is estimated to be completed in 2019.

In April 2019, the County entered into a construction contract for approximately \$1,200,000 in regards to the Whispering Meadows Unit 6 project. This project is estimated to be completed in 2019 and has been funded by temporary notes of \$1,250,000 with Bennington State Bank at an interest rate of 2.85%.

In April 2019, Commission approved a bid of \$820,000 to construct a new EMS station in Blue Township. This project is estimated to be completed in early 2020.

In April 2019, Commission approved an amount not to exceed \$800,000 for right-of-way and easement land acquisitions for ongoing projects.

In preparing this financial statement, the Municipality has evaluated events and transactions for potential recognition or disclosure through May 21, 2019, the date the financial statement was available to be issued.



# **NOTE N - SCHEDULE OF LONG-TERM DEBT**

The following is a schedule of changes in long-term debt for the County and the Related Municipal Entities for the year ended December 31, 2018

	Interest Rate	Date Issued	Original Amount	Date of Final Maturity	Outstanding January 1, 2018	Issued	Retired	Net Change	Outstanding December 31, 2018	Interest Paid
<b>General Obligation Bonds</b>										
1995 Fostoria	5.25%	10/19/1995	\$ 46,029	10/19/2035	\$ 31,329	\$ -	\$ 1,100	\$ (1,100)	\$ 30,229	\$ 1,645
2008-B Wildcat Woods II	4.00/5.10%	10/1/2008	180,000	10/1/2028	125,000	-	125,000	(125,000)	-	6,428
2010-A Sunset Ridge Unit 2	3.50/5.50%	9/15/2010	150,000	10/1/2030	115,000	-	115,000	(115,000)	-	4,941
2012-A Whispering Meadows Unit 1	3.90%	9/15/2012	105,000	10/1/2032	75,000	-	75,000	(75,000)	-	3,001
2014-A Refunding Bond	2.00/3.35%	9/29/2014	3,405,000	10/1/2034	2,165,000	-	270,000	(270,000)	1,895,000	49,640
2015-A Nelson's Ridge II/Wildcat Woods III	2.00/4.00%	10/21/2015	1,295,000	10/1/2035	1,195,000	-	50,000	(50,000)	1,145,000	35,513
2016-A Elb Ck IV/Nln Rdg III/Wsp Mdw III/BK Rdg II	2.00/3.00%	10/6/2016	4,570,000	10/1/2036	4,260,000	-	315,000	(315,000)	3,945,000	91,200
2016-B Wheaton Fire Station	1.20/2.30%	10/15/2016	300,000	10/1/2021	240,000	-	60,000	(60,000)	180,000	4,590
2017-A Elb Ck V/ Fig Lt II/ Nln Rdg IV/ Snst Rdg III/ Wsp Mdw IV	.90/3.00%	10/1/2017	3,410,000	10/1/2037	3,410,000	-	155,000	(155,000)	3,255,000	75,619
2017-B Olsburg Fire Station	1.30/2.00%	11/15/2017	300,000	10/1/2022	300,000	-	60,000	(60,000)	240,000	4,345
2018-A Refunding Bond	3.00/4.00%	10/10/2018	4,080,000	10/1/2038	-	4,080,000	-	4,080,000	4,080,000	-
2018-B Havensville Fire Station	2.70/3.10%	11/15/2018	300,000	10/1/2023	-	300,000	-	300,000	300,000	-
<b>TOTAL GENERAL OBLIGATION BONDS</b>			<b>18,141,029</b>		<b>11,916,329</b>	<b>4,380,000</b>	<b>1,226,100</b>	<b>3,153,900</b>	<b>15,070,229</b>	<b>276,922</b>
<b>Revolving Loan</b>										
C20 1786-01 Blue Township Sewer	2.55%	1/8/2010	3,034,346	9/1/2031	1,932,334	-	116,456	(116,456)	1,815,878	48,537
<b>TOTAL REVOLVING NOTE PAYABLE</b>			<b>3,034,346</b>		<b>1,932,334</b>	<b>-</b>	<b>116,456</b>	<b>(116,456)</b>	<b>1,815,878</b>	<b>48,537</b>
<b>Temporary Notes (series)</b>										
2017-3 Nelson's Ridge Unit 5	1.30%	6/15/2017	980,000	6/15/2018	980,000	-	980,000	(980,000)	-	12,740
2017-4 Wildcat Woods Unit 2	1.25%	6/15/2017	1,075,000	6/15/2018	1,075,000	-	1,075,000	(1,075,000)	-	13,438
2017-8 Brook Ridge Phase 3	1.35%	10/16/2017	825,000	10/16/2018	825,000	-	825,000	(825,000)	-	10,952
2017-9 John Scott Rd/ Grantham Dr/ Christi Ln	1.67%	12/15/2017	480,000	12/15/2018	480,000	-	480,000	(480,000)	-	6,569
2018-1 Whispering Meadows Unit 5	1.92%	2/15/2018	960,000	2/15/2019	-	960,000	960,000	-	-	12,032
2018-2 Nelson's Ridge Unit 5	1.75%	6/15/2018	980,000	6/15/2019	-	980,000	980,000	-	-	5,478
2018-3 Wildcat Woods Unit 2	1.75%	6/15/2018	1,075,000	6/15/2019	-	1,075,000	1,075,000	-	-	6,010
2018-4 Nelson's Ridge Unit 6 Development Phase 1	2.99%	12/17/2018	2,200,000	12/15/2019	-	2,200,000	2,200,000	-	-	-
<b>TOTAL TEMPORARY NOTES</b>			<b>8,575,000</b>		<b>3,360,000</b>	<b>5,215,000</b>	<b>6,375,000</b>	<b>(1,160,000)</b>	<b>2,200,000</b>	<b>67,219</b>
<b>Capital Leases</b>										
4 Brush Trucks (Related Municipal Entity)	3.375%	12/10/18	440,000	10/01/23	-	440,000	-	440,000	440,000	-
<b>TOTAL CAPITAL LEASES</b>			<b>440,000</b>		<b>-</b>	<b>440,000</b>	<b>-</b>	<b>440,000</b>	<b>440,000</b>	<b>-</b>
<b>TOTAL INDEBTEDNESS</b>			<b>\$ 30,190,375</b>		<b>\$ 17,208,663</b>	<b>\$ 10,035,000</b>	<b>\$ 7,717,556</b>	<b>\$ 2,317,444</b>	<b>\$ 19,526,107</b>	<b>\$ 392,678</b>

# NOTE O: SCHEDULE OF MATURITY OF LONG TERM DEBT

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

	2019	2020	2021	2022	2023	2024-2028	2029-2033	2034-2038	Total
<b>PRINCIPAL</b>									
General obligation bonds	\$ 1,131,200	\$ 1,156,200	\$ 1,166,300	\$ 1,071,400	\$ 1,001,400	\$ 4,063,600	\$ 3,081,000	\$ 2,399,129	\$ 15,070,229
Revolving loans	119,444	122,510	125,654	128,878	132,186	713,587	473,619		1,815,878
Temporary notes	2,200,000								2,200,000
Capital leases	88,000	88,000	88,000	88,000	88,000				440,000
<b>TOTAL PRINCIPAL</b>	<b>3,538,644</b>	<b>1,366,710</b>	<b>1,379,954</b>	<b>1,288,278</b>	<b>1,221,586</b>	<b>4,777,187</b>	<b>3,554,619</b>	<b>2,399,129</b>	<b>19,526,107</b>
<b>INTEREST</b>									
General obligation bonds	403,949	384,253	357,991	330,369	304,588	1,175,232	695,593	213,761	3,865,736
Revolving loans	45,548	42,483	39,339	36,114	32,807	111,378	21,357		329,026
Temporary Notes	65,780								65,780
Capital leases	11,414	11,323	8,279	5,268	2,256				38,540
<b>TOTAL INTEREST</b>	<b>526,691</b>	<b>438,059</b>	<b>405,609</b>	<b>371,751</b>	<b>339,651</b>	<b>1,286,610</b>	<b>716,950</b>	<b>213,761</b>	<b>4,299,082</b>
	<b>\$ 4,065,335</b>	<b>\$ 1,804,769</b>	<b>\$ 1,785,563</b>	<b>\$ 1,660,029</b>	<b>\$ 1,561,237</b>	<b>\$ 6,063,797</b>	<b>\$ 4,271,569</b>	<b>\$ 2,612,890</b>	<b>\$ 23,825,189</b>

## **GOVERNMENT AUDITING STANDARDS**



REESE & NOVELLY, P.A.

Certified Public Accountants

Rick I. Reese, CPA  
Nicholas J. Novelly, CPA  
Carol E. McCullough, CPA

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

Board of County Commissioners  
Pottawatomie County, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and 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 and Accounting Guide* issued by the Director of Accounts and Reports, State of Kansas Department of Administration, the regulatory basis financial statement of Pottawatomie County, Kansas (County) as of and for the year ended December 31, 2018, and the related notes to the financial statement, which collectively comprise the County's regulatory basis financial statement, and have issued our report thereon dated May 21, 2019. The report was qualified because, as described in Note A, the County has prepared this financial statement using accounting practices prescribed and permitted 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.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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 statement will not be prevented, or detected and corrected on a timely basis. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### Compliance and Other Matters

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

#### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Reese & Novelly, P.A.*

Wamego, Kansas  
May 21, 2019

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

**SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
BUDGETED FUNDS ONLY (SCHEDULE 1)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Favorable (Unfavorable) Variance
Governmental Type Funds:					
General	\$ 29,750,866	\$ 481,940	\$ 30,232,806	\$ 25,633,827	\$ 4,598,979
Bond and Interest Funds:					
Bond and Interest	2,186,675		2,186,675	2,183,126	3,549
Special Purpose Funds:					
Court Trustee	10,000		10,000		10,000
Regional Library	385,528		385,528	385,528	-
Rural Highway System	4,422,181	17,073	4,439,254	3,044,767	1,394,487
Tort Liability	188,453		188,453	92,705	95,748
Historical Society	105,215		105,215	64,645	40,570
Special Parks and Recreation	66,059		66,059	1,072	64,987
Special Alcohol Program	65,821		65,821	16,000	49,821
Regional Library EMBF	44,130		44,130	44,130	-
Noxious Weed Chemical	312,026		312,026	238,426	73,600
E-911	31,000		31,000	85	30,915
County 911	170,100		170,100	146,669	23,431
Offender Registration	10,906		10,906	2,600	8,306

**SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
BUDGETED FUNDS ONLY (SCHEDULE 1)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Favorable (Unfavorable) Variance
<b>Business Funds:</b>					
Blue Township Sewer Operations	718,800		718,800	717,123	1,677
Timbercreek Water	171,889	2,690	174,579	129,230	45,349
Fostoria Sewer Operations	5,500		5,500	2,032	3,468
Brook Ridge Sewer Operations	7,200		7,200	6,917	283
Brook Ridge Sewer Maintenance	18,000		18,000	11,143	6,857
<b>Related Municipal Entities:</b>					
<b>Fire Districts:</b>					
Joint No. 3 General Fund	82,618	5,000	87,618	73,359	14,259
No. 5 General Fund	289,000		289,000	289,000	
No. 6 General Fund	389		389	2	387
No. 10 General Fund	13,913		13,913	267	13,646
Consolidated No. 1 General Fund	933,108	4,800	937,908	929,916	7,992

See independent auditor's report.



**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 15,900,000	\$ 15,761,172	\$ (138,828)
Delinquent tax	35,000	79,297	44,297
In lieu of tax	30,000	40,503	10,503
Local alcohol liquor tax	5,000	7,719	2,719
Motor vehicle tax	575,000	811,050	236,050
Vehicles rent excise tax		15,541	15,541
Sales and compensating use tax	3,190,000	3,826,784	636,784
Fines, forfeitures, and penalties	26,000	79,842	53,842
City and county highway fund	650,000	866,676	216,676
16/20M vehicle tax	16,000	18,683	2,683
District coroner fee	5,000	7,231	2,231
Recreation vehicle tax	14,000	19,196	5,196
Neighborhood revitalization rebate		(6,682)	(6,682)
Refunds	65,000	67,140	2,140
Watercraft tax	5,800	6,700	900
Licenses and permits	290,200	575,483	285,283
Charges for services	900,000	1,405,704	505,704
Use of property	43,000	610,746	567,746
Reimbursements and grants	25,000	881,164	856,164
Miscellaneous receipts	100,000	185,539	85,539
Transfers in	1,325,000	1,564,932	239,932
<b>TOTAL CASH RECEIPTS</b>	<b>23,200,000</b>	<b>26,824,420</b>	<b>3,624,420</b>
Expenditures:			
Legislative:			
County Commission:			
Personnel services	85,910	84,468	1,442
Contractual services and other charges	17,000	11,503	5,497
Materials and supplies	1,500	631	869
<b>TOTAL LEGISLATIVE</b>	<b>104,410</b>	<b>96,602</b>	<b>7,808</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Judicial:			
County Attorney:			
Personnel services	430,000	388,651	41,349
Contractual services and other charges	63,668	53,403	10,265
Materials and supplies	16,150	14,265	1,885
Capital outlay	12,500	5,771	6,729
TOTAL COUNTY ATTORNEY	522,318	462,090	60,228
Clerk of the District Court:			
Contractual services and other charges	271,700	249,803	21,897
Materials and supplies	15,000	10,339	4,661
Capital outlay	8,000	2,345	5,655
TOTAL CLERK OF THE DISTRICT COURT	294,700	262,487	32,213
Court Services Officer:			
Contractual services and other charges	19,122	13,642	5,480
TOTAL COURT SERVICES OFFICER	19,122	13,642	5,480
District Coroner:			
Personnel services	8,000	8,000	-
Contractual services and other charges	55,000	49,161	5,839
TOTAL DISTRICT CORONER	63,000	57,161	5,839
TOTAL JUDICIAL	899,140	795,380	103,760
Financial and Administrative:			
Financial Operations:			
Personnel services	434,800	418,648	16,152
Contractual services and other charges	95,325	76,617	18,708
Materials and supplies	9,550	3,040	6,510
Capital outlay	2,200	2,112	88
Transfers out	30,000	30,000	-
TOTAL FINANCIAL OPERATIONS	571,875	530,417	41,458

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Appraiser:			
Personnel services	386,000	372,749	13,251
Contractual services and other charges	80,070	70,290	9,780
Materials and supplies	16,320	10,752	5,568
Capital outlay	16,600	11,461	5,139
Transfers out	5,000	5,000	-
<b>TOTAL APPRAISER</b>	<b>503,990</b>	<b>470,252</b>	<b>33,738</b>
Building and Grounds:			
Personnel services	106,000	105,701	299
Contractual services and other charges	361,205	357,885	3,320
Materials and supplies	42,020	27,927	14,093
Capital outlay	25,300	24,090	1,210
Transfers out	50,000	50,000	-
<b>TOTAL BUILDING AND GROUNDS</b>	<b>584,525</b>	<b>565,603</b>	<b>18,922</b>
County Clerk:			
Personnel services	209,000	208,457	543
Contractual services and other charges	12,519	11,780	739
Materials and supplies	7,485	7,060	425
Capital outlay	5,810	2,043	3,767
<b>TOTAL COUNTY CLERK</b>	<b>234,814</b>	<b>229,340</b>	<b>5,474</b>
Computer Expense:			
Personnel services	13,000	4,945	8,055
Contractual services and other charges	188,900	186,214	2,686
Materials and supplies	10,000	6,979	3,021
Capital outlay	42,500	42,095	405
Transfers out	225,000	225,000	-
<b>TOTAL COMPUTER EXPENSE</b>	<b>479,400</b>	<b>465,233</b>	<b>14,167</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Register of Deeds:			
Personnel services	171,000	164,464	6,536
Contractual services and other charges	19,342	18,205	1,137
Materials and supplies	17,000	16,916	84
Transfers out	1,000	1,000	-
<b>TOTAL REGISTER OF DEEDS</b>	<b>208,342</b>	<b>200,585</b>	<b>7,757</b>
Election Expense:			
Contractual services and other charges	50,500	49,203	1,297
Materials and supplies	18,418	16,177	2,241
Capital outlay	21,582	21,582	-
<b>TOTAL ELECTION EXPENSE</b>	<b>90,500</b>	<b>86,962</b>	<b>3,538</b>
Employee Benefits:			
Personnel services	5,529,176	4,190,193	1,338,983
Contractual services and other charges	160,000	37,917	122,083
Materials and supplies	5,000	4,388	612
Transfers out	500,000	500,000	-
Adjustment for qualifying budget credit	23,691		23,691
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>6,217,867</b>	<b>4,732,498</b>	<b>1,485,369</b>
Geographic Information System:			
Personnel services	133,500	131,613	1,887
Contractual services and other charges	45,980	45,889	91
Materials and supplies	9,900	5,401	4,499
Capital outlay	1,000		1,000
<b>TOTAL GEOGRAPHIC INFORMATION SYSTEMS</b>	<b>190,380</b>	<b>182,903</b>	<b>7,477</b>
County Treasurer:			
Personnel services	249,000	248,347	653
Contractual services and other charges	36,600	28,562	8,038
Materials and supplies	7,500	4,056	3,444
Capital outlay	7,500		7,500
Transfers out	200,000	200,000	-
<b>TOTAL COUNTY TREASURER</b>	<b>500,600</b>	<b>480,965</b>	<b>19,635</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Unclassified:			
Contractual services and other charges	319,000	290,674	28,326
Materials and supplies	13,000	12,451	549
Miscellaneous	20,000		20,000
Transfers out	2,076,000		2,076,000
<b>TOTAL UNCLASSIFIED</b>	<b>2,428,000</b>	<b>303,125</b>	<b>2,124,875</b>
Zoning and Planning:			
Personnel services	120,000	117,238	2,762
Contractual services and other charges	34,345	31,275	3,070
Materials and supplies	3,555	3,532	23
Capital outlay	1,900	1,877	23
Transfers out	5,000	5,000	-
<b>TOTAL ZONING AND PLANNING</b>	<b>164,800</b>	<b>158,922</b>	<b>5,878</b>
<b>TOTAL FINANCIAL AND ADMINISTRATIVE</b>	<b>12,175,093</b>	<b>8,406,805</b>	<b>3,768,288</b>
Public Safety:			
Ambulance Service:			
Personnel services	1,583,213	1,572,077	11,136
Contractual services and other charges	168,500	172,793	(4,293)
Materials and supplies	112,250	107,993	4,257
Capital outlay	206,000	159,457	46,543
Transfers out	290,000	290,000	-
Adjustment for qualifying budget credit	5,150		5,150
<b>TOTAL AMBULANCE SERVICE</b>	<b>2,365,113</b>	<b>2,302,320</b>	<b>62,793</b>
Local Emergency Management:			
Personnel services	95,000	94,514	486
Contractual services and other charges	31,295	28,844	2,451
Materials and supplies	7,300	6,258	1,042
Capital outlay	28,050	28,045	5
Transfers out	10,000	10,000	-
Adjustment for qualifying budget credit	24,532		24,532
<b>TOTAL LOCAL EMERGENCY MANAGEMENT</b>	<b>196,177</b>	<b>167,661</b>	<b>28,516</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Fire Supervisor:			
Personnel services	37,161	33,500	3,661
Contractual services and other charges	12,000	7,979	4,021
Materials and supplies	14,750	8,818	5,932
Capital outlay	2,900	2,850	50
Transfers out	40,000	40,000	-
TOTAL FIRE SUPERVISOR	106,811	93,147	13,664
Sheriff:			
Personnel services	2,213,292	2,060,541	152,751
Contractual services and other charges	189,000	195,992	(6,992)
Materials and supplies	229,000	221,705	7,295
Capital outlay	216,000	215,521	479
Adjustment for qualifying budget credit	19,387		19,387
TOTAL SHERIFF	2,866,679	2,693,759	172,920
Detention Center:			
Personnel services	523,898	503,976	19,922
Contractual services and other charges	85,500	47,738	37,762
Materials and supplies	149,000	120,999	28,001
Capital outlay	17,000	17,000	-
TOTAL DETENTION CENTER	775,398	689,713	85,685
Juvenile Detention:			
Contractual services and other charges	61,000	31,404	29,596
Materials and supplies	4,000		4,000
TOTAL JUVENILE DETENTION	65,000	31,404	33,596
TOTAL PUBLIC SAFETY	6,375,178	5,978,004	397,174
Public Works:			
Cemeteries:			
Contractual services and other charges	13,200	11,258	1,942
Materials and supplies	2,500	919	1,581
TOTAL CEMETERIES	15,700	12,177	3,523

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Noxious Weed:			
Personnel services	224,000	221,739	2,261
Contractual services and other charges	47,500	41,634	5,866
Materials and supplies	120,600	118,811	1,789
Capital outlay	28,403	27,013	1,390
Transfers out	2,600	2,570	30
Adjustment for qualifying budget credit	3,113		3,113
TOTAL NOXIOUS WEED	426,216	411,767	14,449
Road and Bridge:			
Personnel services	2,028,000	2,024,917	3,083
Contractual services and other charges	1,396,005	1,335,237	60,768
Materials and supplies	1,990,917	2,198,295	(207,378)
Capital outlay	329,000	312,590	16,410
Transfers out	1,450,000	1,450,000	-
Adjustment for qualifying budget credit	239,900		239,900
TOTAL ROAD AND BRIDGE	7,433,822	7,321,039	112,783
Solid Waste Disposal:			
Personnel services	120,000	118,151	1,849
Contractual services and other charges	411,395	410,127	1,268
Materials and supplies	15,451	10,118	5,333
TOTAL SOLID WASTE DISPOSAL	546,846	538,396	8,450
TOTAL PUBLIC WORKS	8,422,584	8,283,379	139,205
Health and Welfare:			
County Health:			
Personnel services	259,500	338,164	(78,664)
Contractual services and other charges	62,005	35,868	26,137
Materials and supplies	65,200	54,818	10,382
Capital outlay	3,700	3,442	258
Transfers out	450,000	450,000	-
Adjustment for qualifying budget credit	108,923		108,923
TOTAL COUNTY HEALTH	949,328	882,292	67,036

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Health Care Distributions:			
Pawnee Mental Health	95,227	95,227	-
Developmental Disability	174,364	174,364	-
Community Health Ministry:	7,500	7,500	-
3 Rivers Independent Living:	20,000	20,000	-
TOTAL HEALTH CARE DISTRIBUTIONS	297,091	297,091	-
Public Transportation:			
Personnel services	73,534	77,473	(3,939)
Contractual services and other charges	50,650	5,667	44,983
Materials and supplies	22,950	17,226	5,724
Transfers out	16,250	16,250	-
Adjustment for qualifying budget credit	57,244		57,244
TOTAL PUBLIC TRANSPORTATION	220,628	116,616	104,012
Aging Services:			
Contractual services and other charges	51,000	46,293	4,707
Materials and supplies	500	141	359
Capital outlay	6,000	5,671	329
Allocations and distributions	34,700	34,700	-
TOTAL AGING SERVICES	92,200	86,805	5,395
Environmental Health:			
Personnel services	63,928	63,614	314
Contractual services and other charges	3,525	2,410	1,115
Materials and supplies	4,651	2,070	2,581
Transfers out	5,000	5,000	-
TOTAL ENVIRONMENTAL HEALTH	77,104	73,094	4,010
TOTAL HEALTH AND WELFARE	1,636,351	1,455,898	180,453

See independent auditor's report.



**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
GENERAL FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Culture and Recreation:			
County Park Operations:			
Contractual services and other charges	2,750	1,507	1,243
Materials and supplies	3,300	2,252	1,048
Capital outlay	1,000	1,000	-
Transfers out	4,500	4,500	-
TOTAL COUNTY PARK OPERATIONS	11,550	9,259	2,291
County Fair Operations:			
Allocations and distributions	85,000	85,000	-
TOTAL CULTURE AND RECREATION	96,550	94,259	2,291
Environment:			
Allocations and distributions	82,500	82,500	-
Economic Development:			
Transfer to related municipal entity	230,000	230,000	-
Extension Services:			
Transfer to related municipal entity	211,000	211,000	-
TOTAL ENVIRONMENT	523,500	523,500	-
TOTAL EXPENDITURES	30,232,806	25,633,827	4,598,979
RECEIPTS OVER (UNDER) EXPENDITURES	(7,032,806)	1,190,593	
Beginning Unencumbered Cash Balance	8,517,806	11,734,986	
Adjustment to unencumbered cash for prior year cancelled encumbrances		122,137	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 1,485,000</u>	<u>\$ 13,047,716</u>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - BOND AND INTEREST  
BOND AND INTEREST FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Special assessments	\$ 1,562,848	\$ 1,264,956	\$ (297,892)
Delinquent specials		2,534	2,534
Debt proceeds		359,140	359,140
Transfers in		752,768	752,768
TOTAL CASH RECEIPTS	<u>1,562,848</u>	<u>2,379,398</u>	<u>816,550</u>
Expenditures:			
Contractual and other expenditures		56,277	(56,277)
Debt payments:			
Principal	1,562,848	1,226,100	336,748
Interest		276,922	(276,922)
Operating transfers		623,827	(623,827)
Adjustment for qualifying budget credit	623,827		623,827
TOTAL EXPENDITURES	<u>2,186,675</u>	<u>2,183,126</u>	<u>3,549</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(623,827)	196,272	
Beginning Unencumbered Cash Balance	<u>1,319,044</u>	<u>813,959</u>	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 695,217</u>	<u>\$ 1,010,231</u>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - COURT TRUSTEE  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Use of property	\$ 10,000	\$ 64	\$ (9,936)
TOTAL CASH RECEIPTS	10,000	64	(9,936)
Expenditures:			
Contractual and other expenditures	10,000		10,000
TOTAL EXPENDITURES	10,000	-	10,000
RECEIPTS OVER (UNDER) EXPENDITURES	-	64	
Beginning Unencumbered Cash Balance		3,574	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 3,638	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - REGIONAL LIBRARY  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 359,306	\$ 357,164	\$ (2,142)
Delinquent tax		1,707	1,707
Motor vehicle tax	17,419	19,565	2,146
Vehicles rent excise tax		1	1
16/20M vehicle tax	638	557	(81)
Recreation vehicle tax	451	485	34
Refunds	1,322	1,403	81
Watercraft tax	178	166	(12)
<b>TOTAL CASH RECEIPTS</b>	<b>379,314</b>	<b>381,048</b>	<b>1,734</b>
Expenditures:			
Allocations and distributions	385,528	385,528	-
<b>TOTAL EXPENDITURES</b>	<b>385,528</b>	<b>385,528</b>	<b>-</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(6,214)</b>	<b>(4,480)</b>	
Beginning Unencumbered Cash Balance	6,214	7,063	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 2,583</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - RURAL HIGHWAY SYSTEM  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 3,182,950	\$ 3,167,357	\$ (15,593)
Delinquent tax		8,502	8,502
Motor vehicle tax	107,397	143,921	36,524
Vehicles rent excise tax		7	7
16/20M vehicle tax	4,730	4,321	(409)
Recreation vehicle tax	2,785	3,710	925
Refunds	7,719	9,319	1,600
Watercraft tax	1,288	1,332	44
Charges for services		32,224	32,224
Use of property		678	678
Reimbursements and grants		181,352	181,352
<b>TOTAL CASH RECEIPTS</b>	<b>3,306,869</b>	<b>3,552,723</b>	<b>245,854</b>
Expenditures:			
Contractual and other expenditures	130,000	99,100	30,900
Material and supplies	1,355,897	860,413	495,484
Operating transfers	2,936,284	2,085,254	851,030
Adjustment for qualifying budget credit	17,073		17,073
<b>TOTAL EXPENDITURES</b>	<b>4,439,254</b>	<b>3,044,767</b>	<b>1,394,487</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(1,132,385)</b>	<b>507,956</b>	
Beginning Unencumbered Cash Balance	1,132,385	1,525,723	
Adjustment to unencumbered cash for prior year cancelled encumbrances		30,879	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 2,064,558</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - TORT LIABILITY  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 98,709	\$ 97,863	\$ (846)
Delinquent tax		550	550
Motor vehicle tax	5,113	5,321	208
Vehicles rent excise tax		105	105
16/20M vehicle tax	162	136	(26)
Recreation vehicle tax	122	126	4
Neighborhood revitalization rebate		(41)	(41)
Refunds	403	437	34
Watercraft tax		43	43
<b>TOTAL CASH RECEIPTS</b>	<b>104,509</b>	<b>104,540</b>	<b>31</b>
Expenditures:			
Contractual and other expenditures	188,453	92,705	95,748
<b>TOTAL EXPENDITURES</b>	<b>188,453</b>	<b>92,705</b>	<b>95,748</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(83,944)</b>	<b>11,835</b>	
Beginning Unencumbered Cash Balance	83,944	175,308	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 187,143</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - HISTORICAL SOCIETY  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 43,870	\$ 43,495	\$ (375)
Delinquent tax		276	276
Motor vehicle tax	2,556	2,693	137
Vehicles rent excise tax		54	54
16/20M vehicle tax	81	72	(9)
Recreation vehicle tax	61	64	3
Neighborhood revitalization rebate		(18)	(18)
Refunds	202	218	16
Watercraft tax		21	21
<b>TOTAL CASH RECEIPTS</b>	<b>46,770</b>	<b>46,875</b>	<b>105</b>
Expenditures:			
Contractual and other expenditures	20,500	19,345	1,155
Material and supplies	34,715		34,715
Allocations and distributions	50,000	45,300	4,700
<b>TOTAL EXPENDITURES</b>	<b>105,215</b>	<b>64,645</b>	<b>40,570</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(58,445)</b>	<b>(17,770)</b>	
Beginning Unencumbered Cash Balance	58,445	128,533	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 110,763</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - SPECIAL PARKS AND RECREATION  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Local alcohol liquor tax	\$ 8,906	\$ 7,719	\$ (1,187)
TOTAL CASH RECEIPTS	8,906	7,719	(1,187)
Expenditures:			
Allocations and distributions	66,059	1,072	64,987
TOTAL EXPENDITURES	66,059	1,072	64,987
RECEIPTS OVER (UNDER) EXPENDITURES	(57,153)	6,647	
Beginning Unencumbered Cash Balance	57,153	112,138	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 118,785	

See independent auditor's report.



**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - SPECIAL ALCOHOL PROGRAM  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Local alcohol liquor tax	\$ 22,365	\$ 14,767	\$ (7,598)
Expenditures:			
Contractual and other expenditures	30,000		30,000
Allocations and distributions	35,821	16,000	19,821
TOTAL EXPENDITURES	65,821	16,000	49,821
RECEIPTS OVER (UNDER) EXPENDITURES	(43,456)	(1,233)	
Beginning Unencumbered Cash Balance	43,456	77,344	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 76,111	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - REGIONAL LIBRARY EMPLOYEE BENEFIT FUND  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 40,606	\$ 40,495	\$ (111)
Delinquent tax		200	200
Motor vehicle tax	2,151	2,306	155
16/20M vehicle tax	70	68	(2)
Recreation vehicle tax	56	57	1
Refunds	163	164	1
Watercraft	20	19	(1)
<b>TOTAL CASH RECEIPTS</b>	<b>43,066</b>	<b>43,309</b>	<b>243</b>
Expenditures:			
Allocations and distributions	44,130	44,130	-
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(1,064)</b>	<b>(821)</b>	
Beginning Unencumbered Cash Balance	1,064	1,366	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 545</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - NOXIOUS WEED CHEMICAL  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Charges for services	\$ 227,000	\$ 224,819	\$ (2,181)
Expenditures:			
Contractual and other expenditures	1,000		1,000
Material and supplies	246,026	223,306	22,720
Capital Outlay	65,000	15,120	49,880
TOTAL EXPENDITURES	312,026	238,426	73,600
RECEIPTS OVER (UNDER) EXPENDITURES	(85,026)	(13,607)	
Beginning Unencumbered Cash Balance	85,026	105,261	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 91,654	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - E-911  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Miscellaneous receipts	\$ 31,000	\$	\$ (31,000)
TOTAL CASH RECEIPTS	31,000	-	(31,000)
Expenditures:			
Contractual and other expenditures	100	85	15
Capital Outlay	30,900		30,900
TOTAL EXPENDITURES	31,000	85	30,915
RECEIPTS OVER (UNDER) EXPENDITURES	-	(85)	
Beginning Unencumbered Cash Balance		85	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ -	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - COUNTY 911 FUND  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$	\$ 27	\$ 27
Use of property	148,500	152,424	3,924
Miscellaneous receipts	500	1,076	576
<b>TOTAL CASH RECEIPTS</b>	<b>149,000</b>	<b>153,527</b>	<b>4,527</b>
Expenditures:			
Contractual and other expenditures	125,500	116,657	8,843
Material and supplies	9,600	3,116	6,484
Capital Outlay	35,000	26,896	8,104
<b>TOTAL EXPENDITURES</b>	<b>170,100</b>	<b>146,669</b>	<b>23,431</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(21,100)</b>	<b>6,858</b>	
Beginning Unencumbered Cash Balance	242,423	287,287	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 221,323</b>	<b>\$ 294,145</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - OFFENDER REGISTRATION FUND  
SPECIAL PURPOSE FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$ 10,000	\$ 6,720	\$ (3,280)
Expenditures:			
Material and supplies	8,306		8,306
Capital Outlay	2,600	2,600	-
TOTAL EXPENDITURES	10,906	2,600	8,306
RECEIPTS OVER (UNDER) EXPENDITURES	(906)	4,120	
Beginning Unencumbered Cash Balance	906	13,739	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 17,859	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
NON-BUDGETED SPECIAL PURPOSE FUNDS - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Special Highway Improvement	Attorney Check Fee	Attorney Forfeiture	Law Enforcement Trust Fund	Capital Improvement
Cash Receipts:					
Licenses and permits	\$	\$ 90	\$	\$	\$
Charges for services					
Reimbursements and grants	395				
Miscellaneous receipts		2,090	189	7,972	2,150,000
Transfers in	350,000				
	<u>350,000</u>				<u>2,150,000</u>
<b>TOTAL CASH RECEIPTS</b>	<u>350,395</u>	<u>2,180</u>	<u>189</u>	<u>7,972</u>	<u>2,150,000</u>
Expenditures:					
Personnel expenditures					
Contractual and other expenditures	2,347,711		267		11,342
Material and supplies	59,051				239,606
Capital Outlay					
Operating transfers					
	<u>2,406,762</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>250,948</u>
<b>TOTAL EXPENDITURES</b>	<u>2,406,762</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>250,948</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<u>(2,056,367)</u>	<u>2,180</u>	<u>(78)</u>	<u>7,972</u>	<u>1,899,052</u>
Beginning Unencumbered Cash Balance	5,001,229	24,363	3,784	5,815	5,002,353
Adjustment to unencumbered cash for prior year cancelled encumbrances	2,600				
	<u>2,600</u>				
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<u>\$ 2,947,462</u>	<u>\$ 26,543</u>	<u>\$ 3,706</u>	<u>\$ 13,787</u>	<u>\$ 6,901,405</u>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
NON-BUDGETED SPECIAL PURPOSE FUNDS - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Equipment Reserve	Prosecuting Attorney Training	Special Auto	Deeds Technology	VIN Registration Fees
Cash Receipts:					
Licenses and permits	\$	\$	\$ 199,390	\$ 36,878	\$ 26,662
Charges for services					
Reimbursements and grants		3,378			
Miscellaneous receipts	284,320				
Transfers in					
<b>TOTAL CASH RECEIPTS</b>	<b>284,320</b>	<b>3,378</b>	<b>199,390</b>	<b>36,878</b>	<b>26,662</b>
Expenditures:					
Personnel expenditures			29,433		
Contractual and other expenditures		2,386	4,292	10,866	2,500
Material and supplies		281	4,706	533	
Capital Outlay	266,764			31,689	
Operating transfers			152,404		
<b>TOTAL EXPENDITURES</b>	<b>266,764</b>	<b>2,667</b>	<b>190,835</b>	<b>43,088</b>	<b>2,500</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>17,556</b>	<b>711</b>	<b>8,555</b>	<b>(6,210)</b>	<b>24,162</b>
Beginning Unencumbered Cash Balance	902,847	4,776	152,404	73,005	77,616
Adjustment to unencumbered cash for prior year cancelled encumbrances					
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 920,403</b>	<b>\$ 5,487</b>	<b>\$ 160,959</b>	<b>\$ 66,795</b>	<b>\$ 101,778</b>

See independent auditor's report.



**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
NON-BUDGETED SPECIAL PURPOSE FUNDS - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Cash Receipts:	Clerks Technology	Employee Benefit Reserve	Treasurers Technology
Licenses and permits	\$ 9,220	\$	\$ 9,220
Charges for services			
Reimbursements and grants			
Miscellaneous receipts		500,000	
Transfers in			
<b>TOTAL CASH RECEIPTS</b>	<b>9,220</b>	<b>500,000</b>	<b>9,220</b>
<b>Expenditures:</b>			
Personnel expenditures			
Contractual and other expenditures			371
Material and supplies	10,398		
Capital Outlay			
Operating transfers			
<b>TOTAL EXPENDITURES</b>	<b>10,398</b>	<b>-</b>	<b>371</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(1,178)</b>	<b>500,000</b>	<b>8,849</b>
Beginning Unencumbered Cash Balance	14,098		23,986
Adjustment to unencumbered cash for prior year cancelled encumbrances			
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 12,920</b>	<b>\$ 500,000</b>	<b>\$ 32,835</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
CAPITAL PROJECT FUNDS - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Cash Receipts:		Junietta/ Moody Improvements	Timber Creek Stormwater	Green Valley/Hwy 24 Intersection	Nelsons Ridge Unit 5 Construction	Wildcat Woods Unit 2 Construction	Brook Ridge 3 Construction
Taxes and Shared Revenue	\$	\$	\$	\$	\$	\$	\$
Charges for services		1,100,000					
Use of property					1,758	1,556	1,376
Reimbursements and grants							
Debt proceeds					880,328	1,005,362	749,652
Transfers in		672,726					
<b>TOTAL CASH RECEIPTS</b>		<b>1,772,726</b>	<b>-</b>	<b>-</b>	<b>882,086</b>	<b>1,006,918</b>	<b>751,028</b>
Expenditures:							
Contractual and other expenditures		1,758,870		230,839	177,336	19,608	102,377
Material and supplies		13,823					
Capital Outlay							
Allocations and distributions							
Debt payments:							
Principal					980,000	1,075,000	825,000
Interest					18,218	19,447	10,952
Operating transfers							
<b>TOTAL EXPENDITURES</b>		<b>1,772,693</b>	<b>-</b>	<b>230,839</b>	<b>1,175,554</b>	<b>1,114,055</b>	<b>938,329</b>
RECEIPTS OVER (UNDER)							
EXPENDITURES		33	-	(230,839)	(293,468)	(107,137)	(187,301)
Beginning Unencumbered Cash Balance			12,713	2,180,478	293,468	147,137	187,301
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$</b>	<b>33</b>	<b>\$ 12,713</b>	<b>\$ 1,949,639</b>	<b>\$ -</b>	<b>\$ 40,000</b>	<b>\$ -</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
CAPITAL PROJECT FUNDS - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Whispering Meadows 5 Construction	Havensville Fire Station Construction	Nelsons Ridge Unit 6 Construction	John Scott/Grantham Paving	Consolidated FD #1 Lease Purchase
Cash Receipts:					
Taxes and Shared Revenue	\$	\$	\$	\$ 51,627	\$
Charges for services			917	1,374	
Use of property	3,397				
Reimbursements and grants					
Debt proceeds	1,818,680	300,000	2,200,000	344,693	440,000
Transfers in					
<b>TOTAL CASH RECEIPTS</b>	<b>1,822,077</b>	<b>300,000</b>	<b>2,200,917</b>	<b>397,694</b>	<b>440,000</b>
Expenditures:					
Contractual and other expenditures	850,045		205,025	31,913	
Material and supplies					
Capital Outlay		110,675			237,534
Allocations and distributions					
Debt payments:					
Principal	960,000			480,000	
Interest	12,032			6,569	
Operating transfers					
<b>TOTAL EXPENDITURES</b>	<b>1,822,077</b>	<b>110,675</b>	<b>205,025</b>	<b>518,482</b>	<b>237,534</b>
RECEIPTS OVER (UNDER) EXPENDITURES	-	189,325	1,995,892	(120,788)	202,466
Beginning Unencumbered Cash Balance				120,788	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 189,325</b>	<b>\$ 1,995,892</b>	<b>\$ -</b>	<b>\$ 202,466</b>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - BLUE TOWNSHIP SEWER OPERATIONS  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$ 810,000	\$ 815,289	\$ 5,289
Charges for services		3,749	3,749
Reimbursements and grants		3,656	3,656
Miscellaneous receipts		332	332
<b>TOTAL CASH RECEIPTS</b>	<b>810,000</b>	<b>823,026</b>	<b>13,026</b>
Expenditures:			
Personnel expenditures	51,050	51,046	4
Contractual and other expenditures	467,930	466,754	1,176
Material and supplies	11,370	10,920	450
Capital Outlay	8,650	8,649	1
Debt payments:			
Principal	165,000	116,456	48,544
Interest		48,537	(48,537)
Operating transfers	14,800	14,761	39
<b>TOTAL EXPENDITURES</b>	<b>718,800</b>	<b>717,123</b>	<b>1,677</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>91,200</b>	<b>105,903</b>	
Beginning Unencumbered Cash Balance	703,465	828,731	
Adjustment to unencumbered cash for prior year cancelled encumbrances		2,982	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 794,665</b>	<b>\$ 937,616</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS - BLUE TOWNSHIP SEWER RESERVE  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Cash Receipts:

Licenses and permits	\$ 155,055
Transfers in	<u>14,761</u>

TOTAL CASH RECEIPTS	<u>169,816</u>
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Expenditures:

Contractual and other expenditures	<u>76,212</u>
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TOTAL EXPENDITURES	<u>76,212</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	93,604
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Beginning Unencumbered Cash Balance	<u>880,688</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 974,292</u></u>
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See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - TIMBERCREEK WATER OPERATIONS  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Sales and compensating use tax	\$ 300	\$ 319	\$ 19
Licenses and permits	160,000	147,025	(12,975)
Reimbursements and grants		2,703	2,703
Miscellaneous receipts	1,000	333	(667)
<b>TOTAL CASH RECEIPTS</b>	<b>161,300</b>	<b>150,380</b>	<b>(10,920)</b>
Expenditures:			
Personnel expenditures	57,759	35,874	21,885
Contractual and other expenditures	46,775	30,258	16,517
Material and supplies	21,305	18,196	3,109
Capital Outlay	1,050	656	394
Operating transfers	45,000	44,246	754
Adjustment for qualifying budget credit	2,690		2,690
<b>TOTAL EXPENDITURES</b>	<b>174,579</b>	<b>129,230</b>	<b>45,349</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(13,279)</b>	<b>21,150</b>	
Beginning Unencumbered Cash Balance	104,793	137,735	
Adjustment to unencumbered cash for prior year cancelled encumbrances		70	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 91,514</b>	<b>\$ 158,955</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS - TIMBERCREEK WATER RESERVE  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Cash Receipts:

Transfers in	\$ 44,246
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TOTAL CASH RECEIPTS	44,246
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Expenditures:

Contractual and other expenditures	39,762
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TOTAL EXPENDITURES	39,762
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RECEIPTS OVER (UNDER) EXPENDITURES	4,484
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Beginning Unencumbered Cash Balance	460,417
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ENDING UNENCUMBERED CASH BALANCE	\$ 464,901
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See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - FOSTORIA SEWER OPERATIONS  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Miscellaneous receipts	\$ 3,000	\$ 4,745	\$ 1,745
TOTAL CASH RECEIPTS	3,000	4,745	1,745
Expenditures:			
Contractual and other expenditures	5,000	2,032	2,968
Material and supplies	500		500
TOTAL EXPENDITURES	5,500	2,032	3,468
RECEIPTS OVER (UNDER) EXPENDITURES	(2,500)	2,713	
Beginning Unencumbered Cash Balance	14,009	24,053	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 11,509</u>	<u>\$ 26,766</u>	

See independent auditor's report.



**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS - FOSTORIA SEWER RESERVE  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Cash Receipts:

Miscellaneous receipts	\$ 1,844
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TOTAL CASH RECEIPTS	1,844
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Expenditures:

TOTAL EXPENDITURES	-
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RECEIPTS OVER (UNDER) EXPENDITURES	1,844
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Beginning Unencumbered Cash Balance	21,704
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ENDING UNENCUMBERED CASH BALANCE	\$ 23,548
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See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - BROOK RIDGE SEWER OPERATIONS  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$ 10,000	\$ 16,125	\$ 6,125
TOTAL CASH RECEIPTS	10,000	16,125	6,125
Expenditures:			
Contractual and other expenditures	6,950	6,865	85
Material and supplies	150	36	114
Capital Outlay	100	16	84
TOTAL EXPENDITURES	7,200	6,917	283
RECEIPTS OVER (UNDER) EXPENDITURES	2,800	9,208	
Beginning Unencumbered Cash Balance	27,892	35,003	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 30,692</u>	<u>\$ 44,211</u>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - BROOK RIDGE SEWER MAINTENANCE  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Special assessments	\$ 3,857	\$	\$ (3,857)
TOTAL CASH RECEIPTS	3,857	-	(3,857)
Expenditures:			
Contractual and other expenditures	2,750		2,750
Material and supplies	250		250
Operating transfers	15,000	11,143	3,857
TOTAL EXPENDITURES	18,000	11,143	6,857
RECEIPTS OVER (UNDER) EXPENDITURES	(14,143)	(11,143)	
Beginning Unencumbered Cash Balance	14,143	11,143	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ -	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS - BROOK RIDGE SEWER RESERVE  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Cash Receipts:

Licenses and permits	\$ 5,700
Transfers in	<u>11,143</u>

TOTAL CASH RECEIPTS	<u>16,843</u>
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Expenditures:

TOTAL EXPENDITURES	<u>-</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	16,843
------------------------------------	--------

Beginning Unencumbered Cash Balance	<u>38,950</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 55,793</u></u>
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See independent auditor's report.

**SUMMARY OF RECEIPTS AND DISBURSEMENTS**  
**REGULATORY BASIS**  
**AGENCY FUNDS (SCHEDULE 3)**

**POTTAWATOMIE COUNTY, KANSAS**

**For the Year Ended December 31, 2018**

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
<b>Distributable Funds:</b>				
Ad Valorem Taxes:				
Current real estate	\$ 28,790,305	\$ 54,656,405	\$ 52,647,782	\$ 30,798,928
Current watercraft	15,099	25,507	23,687	16,919
Current personal property	373,954	647,938	639,701	382,191
Current 16/20M vehicle	41,045	51,291	52,832	39,504
Delinquent real estate	182,992	244,712	293,899	133,805
Delinquent watercraft	13	672	579	106
Delinquent personal property	4,308	10,215	11,815	2,708
Delinquent 16/20M vehicle	387	269	290	366
Motor vehicle	529,720	2,508,093	2,454,688	583,125
Commercial truck receipts	7,944	449,173	425,824	31,293
Excise tax holding fund	27,282	62,429	63,664	26,047
Heritage Trust Funds	61,104	18,439		79,543
<b>Total Distributable Funds</b>	<b>30,034,153</b>	<b>58,675,143</b>	<b>56,614,761</b>	<b>32,094,535</b>
<b>State Funds:</b>				
State education building		580,451	580,451	-
State institutional building		290,226	290,226	-
<b>Total State Funds</b>	<b>-</b>	<b>870,677</b>	<b>870,677</b>	<b>-</b>
<b>Subdivision Funds:</b>				
Cities	477,329	6,571,409	6,531,407	517,331
Townships		290,151	290,151	-
School districts	1,176	25,567,171	25,564,685	3,662
Hospital districts	20,402	1,945,731	1,945,852	20,281
Drainage districts	3,914	24,178	24,245	3,847
Cemetery districts		27,801	27,801	-
Watershed districts	3,821	246,453	246,481	3,793
Rural water districts	7,725	17		7,742
<b>Total Subdivision Funds</b>	<b>514,367</b>	<b>34,672,911</b>	<b>34,630,622</b>	<b>556,656</b>

See independent auditor's report.

**SUMMARY OF RECEIPTS AND DISBURSEMENTS**  
**REGULATORY BASIS**  
**AGENCY FUNDS (SCHEDULE 3)**

**POTTAWATOMIE COUNTY, KANSAS**

**For the Year Ended December 31, 2018**

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
<b>Other Agency Funds:</b>				
Game licenses		3,717	3,717	-
Kansas waterfowl stamp		100	100	-
Brook Ridge sewer agency		11,811	11,811	-
County activity fund	1,362	171		1,533
Cereal malt beverage stamp		200	200	-
Kansas drivers license	1,556	37,090	38,646	-
Motor license	1,404	1,490,293	1,490,789	908
Over and under	10,000	136,802	131,302	15,500
Sales tax	73,083	1,075,072	1,148,687	(532)
Unclaimed estates	3,528			3,528
Neighborhood revitalization		32,281	32,281	-
Payroll		914	914	-
Disaster Relief Abatement	222	1		223
<b>Total Other Agency Funds</b>	<u>91,155</u>	<u>2,788,452</u>	<u>2,858,447</u>	<u>21,160</u>
	<u>30,639,675</u>	<u>97,007,183</u>	<u>94,974,507</u>	<u>32,672,351</u>
<b>Outside Accounts Considered to be Agency Funds</b>				
District Court	180,074	778,881	843,584	115,371
Pottawatomie County Sheriff	3,383	53,352	51,708	5,027
Law Library	40,965	17,539	5,961	52,543
	<u>224,422</u>	<u>849,772</u>	<u>901,253</u>	<u>172,941</u>
<b>TOTAL AGENCY FUNDS</b>	<u>\$ 30,864,097</u>	<u>\$ 97,856,955</u>	<u>\$ 95,875,760</u>	<u>\$ 32,845,292</u>

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - RELATED MUNICIPAL ENTITY  
GENERAL FUND - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY JOINT FIRE DISTRICT NO. 3**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 36,255	\$ 35,965	\$ (290)
Delinquent tax		147	147
Mineral tax		1	1
Motor vehicle tax	2,672	2,489	(183)
16/20M vehicle tax	362	288	(74)
Recreation vehicle tax	84	44	(40)
Neighborhood revitalization rebate		(11)	(11)
Refunds	160	211	51
Watercraft Tax	9	11	2
Reimbursements and grants		5,000	5,000
Miscellaneous receipts		43	43
<b>TOTAL CASH RECEIPTS</b>	<b>39,542</b>	<b>44,188</b>	<b>4,646</b>
Expenditures:			
Personnel expenditures			-
Contractual and other expenditures	12,000	9,142	2,858
Material and supplies	12,000	7,175	4,825
Capital Outlay	58,618	57,042	1,576
Adjustment for qualifying budget credit	5,000		5,000
<b>TOTAL EXPENDITURES</b>	<b>87,618</b>	<b>73,359</b>	<b>14,259</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(48,076)</b>	<b>(29,171)</b>	
Beginning Unencumbered Cash Balance	48,076	103,229	
Adjustment to unencumbered cash for prior year cancelled encumbrances		574	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 74,632</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - RELATED MUNICIPAL ENTITY  
GENERAL FUND - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY FIRE DISTRICT NO. 5**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 183,814	\$ 180,810	\$ (3,004)
Delinquent tax		1,180	1,180
Motor vehicle tax	15,207	20,009	4,802
Vehicles rent excise tax		3	3
16/20M vehicle tax	381	219	(162)
Recreation vehicle tax	250	321	71
Refunds	1,478	1,534	56
Watercraft Tax	196	201	5
Charges for services		3,500	3,500
Reimbursements and grants		6,020	6,020
Miscellaneous receipts		125	125
<b>TOTAL CASH RECEIPTS</b>	<b>201,326</b>	<b>213,922</b>	<b>12,596</b>
Expenditures:			
Personnel expenditures	5,000	4,200	800
Contractual and other expenditures	43,200	42,055	1,145
Material and supplies	36,900	23,939	12,961
Capital Outlay	203,900	218,806	(14,906)
<b>TOTAL EXPENDITURES</b>	<b>289,000</b>	<b>289,000</b>	<b>-</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(87,674)</b>	<b>(75,078)</b>	
Beginning Unencumbered Cash Balance	87,674	271,452	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 196,374</b>	

See independent auditor's report.



**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - RELATED MUNICIPAL ENTITY  
GENERAL FUND - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY FIRE DISTRICT NO. 6**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Delinquent tax	\$	\$	\$
16/20M vehicle tax	277	2	2
			(277)
TOTAL CASH RECEIPTS	277	2	(275)
Expenditures:			
Operating transfers	389	2	387
TOTAL EXPENDITURES	389	2	387
RECEIPTS OVER (UNDER) EXPENDITURES	(112)	-	
Beginning Unencumbered Cash Balance	112		
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ -	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - RELATED MUNICIPAL ENTITY  
GENERAL FUND - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY FIRE DISTRICT NO. 10**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Delinquent tax		267	267
Motor vehicle tax	12,624		(12,624)
16/20M vehicle tax	190		(190)
Recreation vehicle tax	359		(359)
Refunds	281		(281)
TOTAL CASH RECEIPTS	13,454	267	(13,187)
Expenditures:			
Operating transfers	13,913	267	13,646
TOTAL EXPENDITURES	13,913	267	13,646
RECEIPTS OVER (UNDER) EXPENDITURES	(459)	-	
Beginning Unencumbered Cash Balance	459		
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ -	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - RELATED MUNICIPAL ENTITY  
GENERAL FUND - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY CONSOLIDATED FIRE DISTRICT NO. 1**

**Year Ended December 31, 2018**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 830,575	\$ 828,095	\$ (2,480)
Delinquent tax		1,314	1,314
Motor vehicle tax	13,985	23,915	9,930
16/20M vehicle tax	61	690	629
Recreation vehicle tax	425	754	329
Refunds	1,125	1,836	711
Watercraft Tax	207	218	11
Charges for services		91,379	91,379
Reimbursements and grants		9,301	9,301
Miscellaneous receipts		379	379
Transfers in	15,178	270	(14,908)
<b>TOTAL CASH RECEIPTS</b>	<b>861,556</b>	<b>958,151</b>	<b>96,595</b>
Expenditures:			
Personnel expenditures	92,600	92,837	(237)
Contractual and other expenditures	162,190	158,694	3,496
Material and supplies	31,500	28,201	3,299
Capital Outlay	466,750	471,244	(4,494)
Operating transfers	180,068	178,940	1,128
Adjustment for qualifying budget credit	4,800		4,800
<b>TOTAL EXPENDITURES</b>	<b>937,908</b>	<b>929,916</b>	<b>7,992</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(76,352)</b>	<b>28,235</b>	
Beginning Unencumbered Cash Balance	76,352	115,795	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 144,030</b>	

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
RELATED MUNICIPAL ENTITY - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY CONSOLIDATED FIRE DISTRICT NO. 1 RESERVE**

**Year Ended December 31, 2018**

Cash Receipts:		
Transfers in		\$ 50,000
	TOTAL CASH RECEIPTS	50,000
Expenditures:		
Capital Outlay		429,291
	TOTAL EXPENDITURES	429,291
	RECEIPTS OVER (UNDER) EXPENDITURES	(379,291)
Beginning Unencumbered Cash Balance		570,000
	ENDING UNENCUMBERED CASH BALANCE	\$ 190,709

See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
RELATED MUNICIPAL ENTITY - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY ECONOMIC DEVELOPMENT CORPORATION**

**Year Ended December 31, 2018**

Cash Receipts:

Special projects	\$ 130,998
Proceeds from disposition of property	198,592
Use of property	14,783
Transfers from primary government	<u>230,000</u>

TOTAL CASH RECEIPTS	<u>574,373</u>
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Expenditures:

Personnel expenditures	189,620
Contractual and other expenditures	178,626
Capital Outlay	<u>1,524</u>

TOTAL EXPENDITURES	<u>369,770</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	204,603
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Beginning Unencumbered Cash Balance	<u>1,298,162</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 1,502,765</u></u>
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See independent auditor's report.

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
RELATED MUNICIPAL ENTITY - (SCHEDULE 4)**

**POTTAWATOMIE COUNTY EXTENSION COUNCIL**

**Year Ended December 31, 2018**

**Cash Receipts:**

Interest revenue	\$ 132
Reimbursements and grants	1,540
Kansas State University reimbursement	35,152
Educational services	20,502
Transfers from primary government	<u>211,000</u>

<b>TOTAL CASH RECEIPTS</b>	<b><u>268,326</u></b>
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**Expenditures:**

Personnel expenditures	152,784
Personnel expenditures reimbursed by Kansas State University	35,152
Employee benefits	36,377
Contractual and other expenditures	42,713
Contractual and other expenditures - grant expenditures	3,291
Material and supplies	<u>3,157</u>

<b>TOTAL EXPENDITURES</b>	<b><u>273,474</u></b>
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<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(5,148)</b>
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<b>Beginning Unencumbered Cash Balance</b>	<b><u>116,363</u></b>
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<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b><u>\$ 111,215</u></b>
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See independent auditor's report.

## **OTHER INFORMATION**

## SCHEDULE 5 - COMPOSITION OF ENDING CASH BALANCES

### POTTAWATOMIE COUNTY, KANSAS

Year Ended December 31, 2018

#### COUNTY TREASURER

Checking account:

Farmers State Bank, Westmoreland \$ 8,566,623

Savings account:

First National Bank, Wamego 7,742

Certificates of deposits:

Union State Bank, Olsburg 400,000

Community First National Bank, Manhattan 11,500,000

Peoples State Bank, Manhattan 7,000,000

Bank of the Flint Hills, Wamego 11,000,000

Kansas State Bank, Manhattan 2,000,000

31,900,000

Change fund and petty cash 850

Municipal Investment Pool 31,215,020

TOTAL COUNTY TREASURER 71,690,235

#### CLERK OF THE DISTRICT COURT

Checking:

Farmers State Bank, Westmoreland 115,371

#### POTTAWATOMIE COUNTY SHERIFF

Checking:

Farmers State Bank, Westmoreland 5,027

#### LAW LIBRARY

Checking:

Farmers State Bank, Westmoreland 52,543

#### RELATED MUNICIPAL ENTITIES

Pottawatomie County Economic Development Corp. 1,506,408

Pottawatomie County Extension Council 111,215

1,617,623

TOTAL CASH BALANCES \$ 73,480,799

See independent auditor's report.



## SCHEDULE 6 - TAX ROLL RECONCILIATION

### POTTAWATOMIE COUNTY, KANSAS

Year Ended December 31, 2018

#### 2017 Tax roll - as adjusted:

County Clerk's abstract of 2017 tax roll	\$ 53,804,952
Special assessments	2,025,611
16/20 M trucks	53,659
Watercraft	24,363
Personal Property under \$5	(411)
General tax differences	326
Adjustments to original tax roll:	
Added taxes	12,299
Abated taxes	<u>(185,728)</u>

Adjusted 2017 tax roll \$ 55,735,071

#### 2017 Tax roll - as accounted for:

Collections during 2017 through December 2017	\$ 30,214,064
Collections during 2018 through September 2018	25,156,065
Refunds through September 2018	<u>(33,560)</u>

Net tax roll collections 55,336,569

Delinquent personal property as of September 30, 2018	15,238
Delinquent real estate taxes as of September 30, 2018	<u>383,264</u>

Net delinquent taxes 398,502

2017 tax roll accounted for \$ 55,735,071

See independent auditor's report.

**SCHEDULE 7 - RECEIPTS AND DISBURSEMENTS  
CLERK OF THE DISTRICT COURT**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Balance, Beginning of Year \$ 180,074

Receipts:

Judgments, restitutions, etc.	131,555
Clerk fees - State	170,954
Clerk fees - County	5,570
Fines	150,636
Law enforcement training center	24,988
Refund	2
Law library	17,270
State attorney fee	9,344
County attorney fee	30,396
Marriage license fees	4,425
State general fund	1,159
Interest	142
Prosecuting attorney training center	3,365
Indigent defense fees	1,320
Judicial branch surcharge	62,256
Criminal probation fee	5,203
Bonds	129,704
Other	<u>30,592</u>

TOTAL RECEIPTS 778,881

Expenditures:

To County Treasurer:	
County attorney fees	30,396
Refund	2
Law library	17,270
Clerk fees	5,570
Prosecuting attorney training	3,365
Other	<u>31,165</u>

TOTAL EXPENDITURES TO COUNTY TREASURER 87,768

See independent auditor's report.

**SCHEDULE 7 - RECEIPTS AND DISBURSEMENTS  
CLERK OF THE DISTRICT COURT**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

**Expenditures:**

**To State Treasurer:**

Clerk fees	170,954
Fines	150,636
Law enforcement training center	24,988
State attorney fees	9,344
Marriage license fees	4,425
State general fund	1,159
Interest	142
Reinstatement fees	4,081
Indigent defense fees	<u>1,320</u>

<b>TOTAL EXPENDITURES TO STATE TREASURER</b>	<b><u>367,049</u></b>
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Judgment, restitutions, and other	326,511
Judicial branch surcharge	<u>62,256</u>

<b>TOTAL OTHER EXPENDITURES</b>	<b><u>388,767</u></b>
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<b>TOTAL EXPENDITURES</b>	<b><u>843,584</u></b>
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<b>BALANCE, END OF YEAR</b>	<b><u><u>\$ 115,371</u></u></b>
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**Composition of ending balance:**

Cash in Farmers State Bank, Westmoreland, Kansas	<u><u>\$ 115,371</u></u>
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See independent auditor's report.

**SCHEDULE 7 - RECEIPTS AND DISBURSEMENTS**  
**COUNTY SHERIFF**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Balance, Beginning of Year	<u>\$ 3,383</u>
Receipts:	
VIN fees	29,244
Miscellaneous fees	680
Sheriff's fees	14,718
Concealed carry fees	1,950
Offender registration fees	<u>6,760</u>
<b>TOTAL RECEIPTS</b>	<u><b>53,352</b></u>
Expenditures:	
To County Treasurer:	
VIN fees	26,662
Sheriff's fees	13,899
Concealed carry fees	2,015
Offender registration fees	<u>6,720</u>
<b>TOTAL EXPENDITURES TO COUNTY TREASURER</b>	<u><b>49,296</b></u>
Other expenditures	<u>2,412</u>
<b>TOTAL EXPENDITURES</b>	<u><b>51,708</b></u>
<b>BALANCE, END OF YEAR</b>	<u><u><b>\$ 5,027</b></u></u>
Composition of ending balance:	
Cash in Farmers State Bank, Westmoreland, Kansas	<u><u><b>\$ 5,027</b></u></u>

See independent auditor's report.

**SCHEDULE 7 - RECEIPTS AND DISBURSEMENTS  
LAW LIBRARY**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

Balance, Beginning of Year	<u>\$ 40,965</u>
Receipts:	
Deposits of District Court	17,317
Dues	<u>222</u>
<b>TOTAL RECEIPTS</b>	<u>17,539</u>
Expenditures:	
Miscellaneous	<u>5,961</u>
<b>TOTAL EXPENDITURES</b>	<u>5,961</u>
<b>BALANCE, END OF YEAR</b>	<u><u>\$ 52,543</u></u>
Composition of ending balance:	
Cash in Farmers State Bank, Westmoreland, Kansas	<u><u>\$ 52,543</u></u>

See independent auditor's report.

## **SCHEDULE 8 - ACCOUNTS RECEIVABLE - CHARGES, CREDITS, AND BALANCE**

### **POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

#### **COUNTY ENGINEER**

Balance, Beginning of Year	\$ -
Add charges:	
Sales of services, material, and equipment	360,696
Less credits:	
Collected on account	<u>360,346</u>
Balance, End of Year	<u><u>\$ 350</u></u>

#### **NOXIOUS WEED**

Balance, Beginning of Year	\$ 611
Add charges:	
Sales of services, material, and equipment	225,685
Less credits:	
Collected on account	<u>224,740</u>
Balance, End of Year	<u><u>\$ 1,556</u></u>

See independent auditor's report.

# **SCHEDULE 8 - ACCOUNTS RECEIVABLE - CHARGES, CREDITS, AND BALANCE**

## **POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

### **COUNTY HEALTH DEPARTMENT**

Balance, Beginning of Year	\$ 2,518
Add charges:	
Services provided	<u>97,154</u>
Total Charges and Increases	<u>97,154</u>
Less credits:	
Collections:	
Medicare	10,046
Client and contracts	52,764
Adjustments and write-offs	<u>20,360</u>
Total Payments and Adjustments	<u>83,170</u>
Balance, End of Year	<u><u>\$ 16,502</u></u>

### **Schedule of Aged Receivables:**

Under 30 days	\$ 2,735
30 - 60 days	4,165
60 - 90 days	5,548
Over 90 days	<u>4,054</u>
Balance, End of Year	<u><u>\$ 16,502</u></u>

See independent auditor's report.

# **SCHEDULE 8 - ACCOUNTS RECEIVABLE - CHARGES, CREDITS, AND BALANCE**

## **POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2018**

### **AMBULANCE DEPARTMENT**

Balance, Beginning of Year	\$ 117,230
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Add charges:

Services provided	<u>1,102,049</u>
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Total Charges and Increases	<u>1,102,049</u>
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Less credits:

Collections:

Insurance carriers	253,746
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Medicaid	24,573
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Medicare	287,324
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Client and contracts	55,833
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Adjustments and write-off's	<u>352,538</u>
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Total Payments and Adjustments	<u>974,014</u>
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Balance, End of Year	<u><u>\$ 245,265</u></u>
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Schedule of Aged Receivables:

Under 30 days	\$ 107,555
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30 - 60 days	35,837
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60 - 90 days	15,064
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Over 90 days	<u>86,809</u>
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Balance, End of Year	<u><u>\$ 245,265</u></u>
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See independent auditor's report.