

**AUDITED FINANCIAL STATEMENT  
AND SUPPLEMENTARY INFORMATION**

**POTTAWATOMIE COUNTY, KANSAS**

**December 31, 2017**

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

# **Audited Financial Statement and Supplementary Information**

## **Pottawatomie County, Kansas**

### **Year Ended December 31, 2017**

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REESE & NOVELLY, P.A.

Certified Public Accountants

Rick I. Reese, CPA  
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## 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, 2017 and the related notes to the financial statement (as listed in the table of contents).

### *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, 2017, or changes in its financial position 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 balances of each fund of Pottawatomie County, Kansas, as of December 31, 2017, 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* as 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 18, 2018, 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 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 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) as well as 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, however 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 18, 2018

**REGULATORY  
FINANCIAL STATEMENT  
AND NOTE DISCLOSURES**

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

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	\$ 12,115,481	\$ 180,001	\$ 24,532,155	\$ 25,092,651	\$ 11,734,986	\$ 1,437,482	\$ 13,172,468
<b>Bond and Interest Funds:</b>							
Bond and Interest	696,215		2,361,200	2,243,456	813,959		813,959
<b>Special Purpose Funds:</b>							
Court Trustee	21,831		88	18,345	3,574		3,574
Regional Library	8,133		375,236	376,306	7,063		7,063
Rural Highway System	1,354,533		3,213,086	3,041,896	1,525,723	98,214	1,623,937
Tort Liability	174,536		102,024	101,252	175,308		175,308
Historical Society	120,389		51,149	43,005	128,533		128,533
Special Parks and Recreation	101,984		11,170	1,016	112,138		112,138
Special Alcohol Program	71,454		21,370	15,480	77,344		77,344
Regional Library Employee Benefit Fund	1,231		43,929	43,794	1,366		1,366
Noxious Weed Chemical	104,385		238,137	237,261	105,261		105,261
E-911	28,995		278	29,188	85		85
County 911	267,523		150,139	130,375	287,287		287,287
Offender Registration Fund	10,379		6,240	2,880	13,739		13,739
Special Highway Improvement	4,290,282		2,932,529	2,221,582	5,001,229	243,597	5,244,826
Attorney Check Fee	21,635		2,728		24,363		24,363
Attorney Forfeiture Fund	4,594		393	1,203	3,784		3,784
Law Enforcement Trust	4,588		2,227	1,000	5,815		5,815
Capital Improvement	5,001,093		385,000	383,740	5,002,353	23,066	5,025,419
Equipment Reserve	306,749		617,709	21,611	902,847		902,847
Prosecuting Attorney Training	3,781		3,341	2,346	4,776		4,776
Special Auto	158,882		196,841	203,319	152,404		152,404
Fair Association			6	6	-		-
Deeds Technology	50,066		40,216	17,277	73,005		73,005

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, 2017**

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	51,660		25,956		77,616		77,616
Clerks Technology	6,851		10,054	2,807	14,098		14,098
Treasurers Technology	15,925		10,054	1,993	23,986		23,986
<b>TOTAL SPECIAL PURPOSE</b>	<b>12,181,479</b>		<b>8,439,900</b>	<b>6,897,682</b>	<b>13,723,697</b>	<b>364,877</b>	<b>14,088,574</b>
<b>Capital Projects:</b>							
Timber Creek Stormwater	18,751			6,038	12,713		12,713
Nelsons Ridge Unit 4 Construction	95,185		550,928	646,113	-		-
Elbo Creek Unit 5 Construction	196,582		714,317	910,899	-		-
Falling Leaf Unit 2 Construction	92,668		361,902	454,570	-		-
Sunset Ridge Unit 3 Construction	73,724		406,571	480,295	-		-
Whispering Meadows 4 Construction	405,305		867,601	1,272,906	-		-
Wheaton Fire Station Construction	138,513			138,513	-		-
Green Valley/Highway 24 Intersection			2,180,478		2,180,478		2,180,478
Olsburg Fire Station Construction			300,000	300,000	-	116,309	116,309
Nelsons Ridge Unit 5 Construction			984,175	690,707	293,468		293,468
Wildcat Woods Unit 2 Construction			1,119,130	971,993	147,137		147,137
Brook Ridge 3 Construction			836,439	649,138	187,301		187,301
John Scott/Grantham Paving			480,060	359,272	120,788		120,788
<b>TOTAL CAPITAL PROJECTS</b>	<b>1,020,728</b>	<b>-</b>	<b>8,801,601</b>	<b>6,880,444</b>	<b>2,941,885</b>	<b>116,309</b>	<b>3,058,194</b>
<b>Business Funds:</b>							
Blue Township Sewer Operations	709,465	1,786	763,256	645,776	828,731	33,000	861,731
Blue Township Sewer Reserve	987,888		216,948	324,148	880,688		880,688
Timbercreek Water Operations	130,804	125	143,085	136,279	137,735	620	138,355
Timbercreek Water Reserve	432,941		47,118	19,642	460,417		460,417

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, 2017**

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>							
Fostoria Sewer Operations	22,010		4,196	2,153	24,053		24,053
Fostoria Sewer Reserve	20,074		1,630		21,704		21,704
Brook Ridge Sewer Operations	24,192		14,324	3,513	35,003		35,003
Brook Ridge Sewer Maintenance	14,143			3,000	11,143		11,143
Brook Ridge Sewer Reserve	33,250		5,700		38,950		38,950
<b>TOTAL BUSINESS</b>	<b>2,374,767</b>	<b>1,911</b>	<b>1,196,257</b>	<b>1,134,511</b>	<b>2,438,424</b>	<b>33,620</b>	<b>2,472,044</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>28,388,670</b>	<b>181,912</b>	<b>45,331,113</b>	<b>42,248,744</b>	<b>31,652,951</b>	<b>1,952,288</b>	<b>33,605,239</b>
<b>Related Municipal Entities:</b>							
<b>Fire Districts:</b>							
Joint No. 3 General Fund	89,146		36,667	22,584	103,229		103,229
No. 5 General Fund	154,408		204,237	87,193	271,452		271,452
No. 6 General Fund			65	65	-		-
No. 10 General Fund			4,226	4,226	-		-
Consolidated Fire District #1	336,258	3,360	783,926	1,007,749	115,795	194,649	310,444
Consolidated Fire District #1 Reserve	295,000		275,000		570,000		570,000
Joint No. 1 General Fund			112	112	-		-
No. 2 General Fund					-		-
Joint No. 4 General Fund					-		-
No. 7 General Fund			218	218	-		-
No. 8 General Fund					-		-
Pottawatomie County Economic Development Corporation	1,159,730		524,461	386,029	1,298,162	6,128	1,304,290
Pottawatomie County Extension Council	101,137		252,506	237,280	116,363		116,363
<b>TOTAL RELATED MUNICIPAL ENTITIES</b>	<b>2,135,679</b>	<b>3,360</b>	<b>2,081,417</b>	<b>1,745,455</b>	<b>2,475,001</b>	<b>200,777</b>	<b>2,675,778</b>
<b>TOTAL REPORTING ENTITY</b>	<b>\$ 30,524,349</b>	<b>\$ 185,272</b>	<b>\$ 47,412,530</b>	<b>\$ 43,994,199</b>	<b>\$ 34,127,952</b>	<b>\$ 2,153,065</b>	<b>\$ 36,281,017</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, 2017

### Composition of Cash:

Checking accounts	\$ 11,483,664
Certificates of deposit	25,400,000
Municipal Investment Pool	28,607,800
Change fund and petty cash	850
Savings	7,725
Clerk of the District Court	180,074
Pottawatomie County Sheriff	3,383
Law Library	40,965
Pottawatomie County Economic Development Corporation (Related Municipal Entity)	1,304,290
Pottawatomie County Extension Council (Related Municipal Entity)	116,363

TOTAL CASH

Agency Funds per Schedule 3

67,145,114

(30,864,097)

TOTAL REPORTING ENTITY (EXCLUDING AGENCY)

\$ 36,281,017

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

#### 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.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

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 long-term debt principal, interest, and related costs.

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.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

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 revenues 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.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

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, Consolidated Fire District 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 revenue 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.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

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 2017

#### NOTE C – DEPOSITS AND INVESTMENTS

As of December 31, 2017, 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	\$ 25,400,000	Less than 1 year	N/A
Kansas Municipal Investment Pool	28,607,800	Less than 1 year	N/A
Total Fair Value	<u>\$ 54,007,800</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, 2017, is as follows:



## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

Investments	Percentage of Investments
Certificates of Deposits	47%
Kansas Municipal Investment Pool	53%

*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 3 – February 3 and April 15 – June 15.

At December 31, 2017, the carrying amount of the Municipality's deposits, including certificates of deposit, was \$37,116,662 and the bank balance was \$38,013,488. The bank balance was held by six banks which did not result in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$23,053,990 was covered by federal depository insurance, \$13,133,926 was collateralized with securities held by the pledging financial institutions' agents in the Municipality's name, and the balance of \$1,825,572 was unsecured under a designated peak period.

*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, 2017, the Municipality had invested \$28,607,800 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 analyses.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

At year-end, the carrying amount of the Pottawatomie County Economic Development's deposits including certificates of deposit was \$1,304,290 and the bank balance was \$1,307,254. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$588,000 was covered by FDIC insurance and the remaining \$719,254 was collateralized with securities held by the pledging financial institutions' agents in Pottawatomie County Economic Development's name.

Of the above balance, \$88,000 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 \$116,363 and the bank balance was \$132,878. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. 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, 2017. See Notes O and P 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	\$ 9,532,429	\$ 3,710,000	\$ 1,326,100	\$ 11,916,329
Revolving Notes	2,045,876		113,542	1,932,334
Temporary Notes	3,305,000	3,360,000	3,305,000	3,360,000
Total	<u>\$ 14,883,305</u>	<u>\$ 7,070,000</u>	<u>\$ 4,744,642</u>	<u>\$ 17,208,663</u>

Total interest expense for the year was \$321,268.

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	\$1,520,327	\$2,242,565	\$7,613,437	\$540,000	\$11,916,329

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

#### Advanced Refunding

On October 11, 2017, the County issued \$3,410,000 in General Obligation Bonds with an average interest rate of 2.6 percent. The proceeds were used to pay the cost of certain sanitary sewer, street, and water line 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 necessary to authorize, sell, issue, and deliver the Bonds. The net proceeds of \$3,915,815 (plus premium of \$51,678) were used to advance refund various series of bonds and loans with a total principal amount of \$3,840,000 as follows:

Source of Debt	Average Interest Rate	Outstanding Principal
2011A General Obligation Bond	3.65%	\$ 535,000
2017-1 Temp Note	0.92%	635,000
2017-2 Temp Note	0.88%	835,000
2017-5 Temp Note	0.81%	985,000
2017-6 Temp Note	0.85%	380,000
2017-7 Temp Note	0.85%	470,000
Principal Amount of Bonds		<u>\$ 3,840,000</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 \$79,934.

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 \$67,271.

#### 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, 2016	\$ 562,608,873
3% Debt Limit	16,878,266
Total Outstanding General Obligation Debt	11,916,329
Less Portions Excluded per K.S.A. 19-27a07 & 19-3540	(3,762,892)
Less Portions Excluded per K.S.A. 68-728	<u>(7,613,437)</u>
Total Outstanding Eligible General Obligation Debt	540,000
General Obligation Debt Margin	<u>\$ 16,338,266</u>

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

#### 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 with a 0% moratorium for the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for KPERS and 19.03% for KP&F for the fiscal year ended December 31, 2017. Contributions to the pension plan from the municipality were \$539,089 for KPERS and \$251,623 for KP&F for the year ended December 31, 2017.

## **NOTES TO FINANCIAL STATEMENT**

### **POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY**

**December 31, 2017**

#### Net Pension Liability

At December 31, 2017, the municipality's proportionate share of the collective net pension liability reported by KPERS was \$4,964,161 and \$2,567,660 for KP&F. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. 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 2017 the retirement plan expense was approximately \$113,655.

#### **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.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

#### 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, 2017, the County's liability for unused vacation time is approximately \$541,330 attributable entirely to governmental funds.

#### NOTE I—CAPITAL PROJECTS

At year-end, capital projects authorizations with approved change orders compared with disbursement and accounts payable from inception are as follows:

Project Name	Cash Disbursements & Accounts Payable to Date	Project Authorizations
Nelsons Ridge Unit 4	\$ 551,780	\$ 741,646
Elbo Creek Unit 5	722,051	974,718
Falling Leaf Unit 2	405,111	472,762
Sunset Ridge Unit 3	413,463	620,633
Whispering Meadows Unit 4	868,470	1,189,454
Wheaton Fire Station	409,770	409,770
Excel Road	1,934,831	1,954,859
Excel Sewer	276,075	292,317
Excel/Hwy 24 Intersection	924,788	953,005
Flush/Hwy 24 Intersection	1,444,772	1,444,772
Nelsons Ridge Unit 5	690,706	1,101,229
Wildcat Woods Unit 2	971,993	1,232,238
Brook Ridge Phase 3	649,137	852,300
John Scott/Grantham Paving	359,272	560,000
Whispering Meadows Unit 5	77,457	1,146,912
Olsburg Fire Station	273,382	558,548
Vineyard Road South	416,419	437,736
Green Valley/Hwy 24 Intersection	259,857	349,795
Total	<u>\$ 11,397,105</u>	<u>\$ 15,292,694</u>

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

#### NOTE J—COMMITMENTS AND CONTINGENCIES

Construction Contracts: At December 31, 2017, 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.

## NOTES TO FINANCIAL STATEMENT

### POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY

December 31, 2017

#### NOTE K—TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	PC Economic Development	KSA 1-41029	\$ 210,000
General Fund	PC Extension Services	KSA 2-610	205,050
General Fund	Equipment Reserve Fund	KSA 19-119	617,709
General Fund	Special Highway	KSA 68-590	2,840,000
General Fund	Capital Project Fund	KSA 19-120	900,000
General Fund	Capital Improvement Fund	KSA 19-120	385,000
Bond & Interest Funds	General Fund	Equity Transfer	4,574
Bond & Interest Funds	Bond & Interest Funds	Equity Transfer	627,919
Capital Improvement Funds	Bond & Interest Funds	Equity Transfer	1,691
Rural Highway Fund	General Fund	KSA 68-590	1,431,162
Special Highway Improvement	Capital Improvement Fund	Equity Transfer	1,110,826
Utility Operations Funds	Utility Reserve Funds	KSA 19-27a09	33,648
Utility Operations Funds	Utility Reserve Funds	KSA 19-3541	47,118
Special Auto Fund	General Fund	KSA 8-145	155,344
Fire District #1	Consolidated Fire District #1	Equity Transfer	112
Fire District #6	Consolidated Fire District #1	Equity Transfer	65
Fire District #7	Consolidated Fire District #1	Equity Transfer	218
Fire District #10	Consolidated Fire District #1	Equity Transfer	4,227
Consolidated Fire District #1	Consolidated FD #1 Reserve	KSA 19-119	275,000
Consolidated Fire District #1	Bond & Interest Fund	Equity Transfer	65,113
Tax Distribution (Agency Funds)	General Fund	Abatement	15,732
Special Funds	General Fund	Abatement	3,988
			<u>\$ 8,934,496</u>

#### NOTE L – TAX ABATEMENTS

There are currently three programs being utilized in Pottawatomie County that offer tax abatements for economic development purposes. All programs operate by granting an exemption for all or part of a property's assessed valuation.

Economic development exemptions allow the county and cities to provide property tax abatements on real estate, buildings, or other improvements to encourage business expansion and new employment opportunities. The program allows up to 100% abatement of the qualifying property for up to a maximum of 10 years. The total amount of taxes abated by this program for 2017 was \$118,228 of which the County's share was \$27,366.

Exempt industrial revenue bonds allow qualifying property that are financed by the industrial revenue bonds to be partially or wholly exempt from property taxes. The total amount of taxes abated by this program for 2017 was \$85,898 of which the County's share was \$18,864.



## **NOTES TO FINANCIAL STATEMENT**

### **POTTAWATOMIE COUNTY, KANSAS FINANCIAL REPORTING ENTITY**

**December 31, 2017**

The Neighborhood Revitalization Rebate Program provides property tax abatements to promote revitalization and development of the City of Onaga in order to promote the revitalization of the community and protect the health, safety, and welfare of the residents. If the property is approved, the abatement is for 10 years with a sliding scale starting with 100% abatement in year one, followed by a 10% reduction in rebate in each of the following years. From the abatement, 5% goes to the County and 5% is paid to the City of Onaga to cover administrative costs incurred by the City and County. The total amount of taxes abated by this program for 2017 was \$32,281 of which the County's share was \$6,742.

#### **NOTE M—CONCENTRATIONS**

The Municipality receives approximately 50% of its ad valorem taxes from one taxpayer who operates a coal burning electric generation plant located in the County.

#### **NOTE N—MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS**

In preparing this financial statement, the Municipality has evaluated events and transactions for potential recognition or disclosure through May 18, 2018, the date the financial statement was available to be issued.

# NOTES TO FINANCIAL STATEMENTS

## POTTAWATOMIE COUNTY, KANSAS

December 31, 2017

### NOTE O - SCHEDULE OF LONG-TERM DEBT

The following is a schedule of changes in long-term debt for the County for the year ended December 31, 2017

	Interest Rate	Date Issued	Original Amount	Date of Final Maturity
<b>General Obligation Bonds</b>				
1995 Fostoria	5.25%	10/19/1995	\$ 46,029	10/19/2035
2008-B Wildcat Woods II	4.00/5.10%	10/1/2008	180,000	10/1/2028
2010-A Sunset Ridge Unit 2	3.50/5.50%	9/15/2010	150,000	10/1/2030
2011-A Nelson's Ridge I	2.30/5.00%	9/15/2011	690,000	10/1/2031
2012-A Whispering Meadows Unit I	3.90%	9/15/2012	105,000	10/1/2032
2014-A Refunding Bond	2.00/3.35%	9/29/2014	3,405,000	10/1/2034
2015-A Nelson's Ridge II/Wildcat Woods III	2.00/4.00%	10/21/2015	1,295,000	10/1/2035
2016-A Elb Crk IV/Nln Rdg III/Wsp Mdw III/BK Rdg II	2.00/3.00%	10/6/2016	4,570,000	10/1/2036
2016-B Wheaton Fire Station	1.20/2.30%	10/15/2016	300,000	10/1/2021
2017-A Elb Crk V/ Flg Lf II/ Nlsn Rdg IV/ Snst Rdg III/ Wsp Mdw IV	.90/3.00%	10/11/2017	3,410,000	10/1/2037
2017-B Olsburg Fire Station	1.30/2.00%	11/15/2017	300,000	10/1/2022
<b>TOTAL GENERAL OBLIGATION BONDS</b>			<b>14,451,029</b>	
<b>Revolving Note Payable</b>				
C20 1786-01 Blue Township Sewer	2.55%	1/8/2010	3,034,346	9/1/2031
<b>TOTAL REVOLVING NOTE PAYABLE</b>			<b>3,034,346</b>	
<b>Temporary Notes (series)</b>				
2016-2 Nelson's Ridge Unit 4	0.92%	4/15/2016	635,000	4/15/2017
2016-6 Elbo Creek Estates Unit 5	0.88%	5/15/2016	835,000	5/15/2017
2016-7 Whispering Meadows Unit 4	0.81%	8/1/2016	985,000	8/1/2017
2016-8 Falling Leaf Unit 2	0.85%	8/24/2016	380,000	8/24/2017
2016-9 Sunset Ridge Unit 3	0.85%	8/24/2016	470,000	8/24/2017
2017-1 Nelson's Ridge Unit 4	0.92%	4/15/2017	635,000	4/15/2018
2017-2 Elbo Creek Estates Unit 5	0.88%	5/15/2017	835,000	5/15/2018
2017-3 Nelson's Ridge Unit 5	1.30%	6/15/2017	980,000	6/15/2018
2017-4 Wildcat Woods Unit 2	1.25%	6/15/2017	1,075,000	6/15/2018
2017-5 Whispering Meadows Unit 4	0.81%	8/1/2017	985,000	8/1/2018
2017-6 Falling Leaf Unit 2	0.85%	8/24/2017	380,000	12/31/2017
2017-7 Sunset Ridge Unit 3	0.85%	8/24/2017	470,000	8/24/2018
2017-8 Brook Ridge Phase 3	1.35%	10/16/2017	825,000	10/16/2018
2017-9 John Scott Rd/ Grantham Dr/ Christi Ln	1.67%	12/15/2017	480,000	12/15/2018
<b>TOTAL TEMPORARY NOTES</b>			<b>9,970,000</b>	
<b>TOTAL INDEBTEDNESS</b>			<b>\$ 27,455,375</b>	

Outstanding January 1, 2017	Issued	Retired	Net Change	Outstanding December 31, 2017	Interest Paid
\$ 32,429		\$ 1,100	\$ (1,100)	\$ 31,329	\$ 1,703
135,000		10,000	(10,000)	125,000	6,665
120,000		5,000	(5,000)	115,000	5,090
565,000		565,000	(565,000)		22,811
80,000		5,000	(5,000)	75,000	3,120
2,485,000		320,000	(320,000)	2,165,000	56,040
1,245,000		50,000	(50,000)	1,195,000	36,513
4,570,000		310,000	(310,000)	4,260,000	96,047
300,000		60,000	(60,000)	240,000	5,103
-	3,410,000		3,410,000	3,410,000	
-	300,000		300,000	300,000	
9,532,429	3,710,000	1,326,100	2,383,900	11,916,329	233,092
2,045,876		113,542	(113,542)	1,932,334	51,451
2,045,876	-	113,542	(113,542)	1,932,334	51,451
635,000		635,000	(635,000)	-	5,842
835,000		835,000	(835,000)	-	7,348
985,000		985,000	(985,000)	-	7,979
380,000		380,000	(380,000)	-	3,230
470,000		470,000	(470,000)	-	3,995
-	635,000	635,000	-	-	2,856
-	835,000	835,000	-	-	2,980
-	980,000		980,000	980,000	
-	1,075,000		1,075,000	1,075,000	
-	985,000	985,000	-	-	1,551
-	380,000	380,000	-	-	422
-	470,000	470,000	-	-	522
-	825,000		825,000	825,000	
-	480,000		480,000	480,000	
3,305,000	6,665,000	6,610,000	55,000	3,360,000	36,725
\$ 14,883,305	\$ 10,375,000	\$ 8,049,642	\$ 2,325,358	\$ 17,208,663	\$ 321,268

## NOTES TO FINANCIAL STATEMENTS

### POTTAWATOMIE COUNTY, KANSAS

December 31, 2017

#### NOTE P: 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:

	2018	2019	2020	2021
PRINCIPAL				
General obligation bonds	931,100	921,200	941,200	946,300
Revolving loans	116,456	119,444	122,510	125,654
Temporary notes	3,360,000			
TOTAL PRINCIPAL	4,407,556	1,040,644	1,063,710	1,071,954
INTEREST				
General obligation bonds	276,557	262,679	245,679	227,277
Revolving loans	48,537	45,548	42,483	39,339
Temporary Notes	45,330			
TOTAL INTEREST	370,424	308,227	288,162	266,616
	<u>\$ 4,777,980</u>	<u>\$ 1,348,871</u>	<u>\$ 1,351,872</u>	<u>\$ 1,338,570</u>

<u>2022</u>	<u>2023-2027</u>	<u>2028-2032</u>	<u>2033-2037</u>	<u>Total</u>
846,400	3,413,100	2,200,500	1,716,529	11,916,329
128,878	695,733	623,659		1,932,334
				3,360,000
<u>975,278</u>	<u>4,108,833</u>	<u>2,824,159</u>	<u>1,716,529</u>	<u>17,208,663</u>
207,801	794,542	460,403	142,105	2,617,043
36,114	129,232	36,310		377,563
				45,330
<u>243,915</u>	<u>923,774</u>	<u>496,713</u>	<u>142,105</u>	<u>3,039,936</u>
<u>\$ 1,219,193</u>	<u>\$ 5,032,607</u>	<u>\$ 3,320,872</u>	<u>\$ 1,858,634</u>	<u>\$ 20,248,599</u>

## **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 FINANCIAL STATEMENTS 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, 2017, 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 18, 2018. 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 18, 2018



**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

	Certified Budget (As Amended)	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Favorable (Unfavorable) Variance
Governmental Type Funds:					
General	\$ 26,899,396	\$ 271,116	\$ 27,170,512	\$ 25,092,651	\$ 2,077,861
Bond and Interest Funds:					
Bond and Interest	1,095,365	1,148,091	2,243,456	2,243,456	-
Special Purpose Funds:					
Court Trustee	33,268		33,268	18,345	14,923
Regional Library	376,307		376,307	376,306	1
Rural Highway System	3,422,955		3,422,955	3,041,896	381,059
Tort Liability	192,532		192,532	101,252	91,280
Historical Society	112,918		112,918	43,005	69,913
Special Parks and Recreation	69,624		69,624	1,016	68,608
Special Alcohol Program	52,791		52,791	15,480	37,311
Regional Library EMBF	43,795		43,795	43,794	1
Noxious Weed Chemical	244,358		244,358	237,261	7,097
E-911	31,686		31,686	29,188	2,498
County 911	170,100		170,100	130,375	39,725
Offender Registration	15,473		15,473	2,880	12,593

See independent auditor's report.

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

	Certified Budget (As Amended)	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	707,000		707,000	645,776	61,224
Timbercreek Water	190,000	523	190,523	136,279	54,244
Fostoria Sewer Operations	10,500		10,500	2,153	8,347
Brook Ridge Sewer Operations	6,300		6,300	3,513	2,787
Brook Ridge Sewer Maintenance	3,000		3,000	3,000	-
<b>Related Municipal Entities:</b>					
<b>Fire Districts:</b>					
Joint No. 3 General Fund	118,068		118,068	22,584	95,484
No. 5 General Fund	255,605		255,605	87,193	168,412
No. 6 General Fund	1,787		1,787	65	1,722
No. 10 General Fund	15,961		15,961	4,226	11,735
Consolidated No. 1 General Fund	1,010,422		1,010,422	1,007,749	2,673

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 15,040,000	\$ 14,988,370	\$ (51,630)
Delinquent tax	35,000	35,289	289
In lieu of tax	30,000	39,614	9,614
Local alcohol liquor tax	5,000	11,170	6,170
Motor vehicle tax	575,000	719,077	144,077
Vehicles rent excise tax		15,400	15,400
Sales and compensating use tax	2,700,000	3,588,265	888,265
Fines, forfeitures, and penalties	26,000	85,293	59,293
City and county highway fund	650,000	835,966	185,966
16/20M vehicle tax	16,000	17,832	1,832
District coroner fee	5,000	6,041	1,041
Recreation vehicle tax	14,000	17,723	3,723
Neighborhood revitalization rebate		(7,920)	(7,920)
Refunds	75,000	66,771	(8,229)
Watercraft tax	10,000	6,030	(3,970)
Licenses and permits	415,200	701,044	285,844
Charges for services	325,000	920,604	595,604
Use of property	43,000	289,475	246,475
Reimbursements and grants	25,000	411,747	386,747
Miscellaneous receipts	100,000	173,561	73,561
Transfers in	1,200,000	1,610,803	410,803
<b>TOTAL CASH RECEIPTS</b>	<b>21,289,200</b>	<b>24,532,155</b>	<b>3,242,955</b>
Expenditures:			
Legislative:			
County Commission:			
Personnel services	84,000	83,375	625
Contractual services and other charges	16,000	11,053	4,947
Materials and supplies	1,500	1,174	326
Capital outlay	1,000	625	375
<b>TOTAL LEGISLATIVE</b>	<b>102,500</b>	<b>96,227</b>	<b>6,273</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Judicial:			
County Attorney:			
Personnel services	354,000	327,835	26,165
Contractual services and other charges	59,660	50,357	9,303
Materials and supplies	14,925	14,893	32
Capital outlay	12,250	4,378	7,872
TOTAL COUNTY ATTORNEY	440,835	397,463	43,372
Clerk of the District Court:			
Contractual services and other charges	273,400	239,049	34,351
Materials and supplies	13,100	13,078	22
Capital outlay	6,000	1,219	4,781
TOTAL CLERK OF THE DISTRICT COURT	292,500	253,346	39,154
Court Services Officer:			
Contractual services and other charges	19,122	16,620	2,502
District Coroner:			
Personnel services	8,000	8,000	-
Contractual services and other charges	54,000	53,921	79
TOTAL DISTRICT CORONER	62,000	61,921	79
TOTAL JUDICIAL	814,457	729,350	85,107
Financial and Administrative:			
Financial Operations:			
Personnel services	480,000	390,485	89,515
Contractual services and other charges	93,375	76,559	16,816
Materials and supplies	8,500	4,534	3,966
Capital outlay	5,000	4,998	2
TOTAL FINANCIAL OPERATIONS	586,875	476,576	110,299

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Appraiser:			
Personnel services	374,000	373,966	34
Contractual services and other charges	69,285	59,905	9,380
Materials and supplies	15,854	11,797	4,057
Capital outlay	21,296	20,654	642
<b>TOTAL APPRAISER</b>	<b>480,435</b>	<b>466,322</b>	<b>14,113</b>
Building and Grounds:			
Personnel services	113,500	110,947	2,553
Contractual services and other charges	392,950	384,570	8,380
Materials and supplies	26,200	23,819	2,381
Capital outlay	47,600	47,328	272
<b>TOTAL BUILDING AND GROUNDS</b>	<b>580,250</b>	<b>566,664</b>	<b>13,586</b>
County Clerk:			
Personnel services	197,000	196,606	394
Contractual services and other charges	12,500	12,168	332
Materials and supplies	9,625	8,501	1,124
<b>TOTAL COUNTY CLERK</b>	<b>219,125</b>	<b>217,275</b>	<b>1,850</b>
Computer Expense:			
Personnel services	16,000		16,000
Contractual services and other charges	167,390	152,795	14,595
Materials and supplies	17,500	9,844	7,656
Capital outlay	99,000	64,413	34,587
<b>TOTAL COMPUTER EXPENSE</b>	<b>299,890</b>	<b>227,052</b>	<b>72,838</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Unclassified:			
Contractual services and other charges	340,500	339,722	778
Materials and supplies	4,000	1,408	2,592
Transfers out	3,495,312	3,493,646	1,666
<b>TOTAL UNCLASSIFIED</b>	<b>3,839,812</b>	<b>3,834,776</b>	<b>5,036</b>
Zoning and Planning:			
Personnel services	112,000	111,656	344
Contractual services and other charges	32,945	29,123	3,822
Materials and supplies	3,855	3,338	517
Capital outlay	1,700	1,590	110
<b>TOTAL ZONING AND PLANNING</b>	<b>150,500</b>	<b>145,707</b>	<b>4,793</b>
<b>TOTAL FINANCIAL AND ADMINISTRATIVE</b>	<b>10,791,770</b>	<b>9,951,385</b>	<b>840,385</b>
Public Safety:			
Ambulance Service:			
Personnel services	300,000	187,155	112,845
Contractual services and other charges	1,040,000	1,011,625	28,375
Materials and supplies	43,000	31,131	11,869
Capital outlay	357,000	356,742	258
Adjustment for qualifying budget credit	500		500
<b>TOTAL AMBULANCE SERVICE</b>	<b>1,740,500</b>	<b>1,586,653</b>	<b>153,847</b>
Local Emergency Management:			
Personnel services	87,300	87,300	(0)
Contractual services and other charges	51,200	22,303	28,897
Materials and supplies	14,050	5,996	8,054
Capital outlay	27,500	3,502	23,998
<b>TOTAL LOCAL EMERGENCY MANAGEMENT</b>	<b>180,050</b>	<b>119,101</b>	<b>60,949</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Fire Supervisor:			
Personnel services	43,600	30,563	13,037
Contractual services and other charges	13,925	4,788	9,137
Materials and supplies	18,100	6,566	11,534
Capital outlay	19,100	1,045	18,055
TOTAL FIRE SUPERVISOR	94,725	42,962	51,763
Sheriff:			
Personnel services	2,008,000	1,903,676	104,324
Contractual services and other charges	168,100	159,967	8,133
Materials and supplies	245,100	188,479	56,621
Capital outlay	236,873	253,571	(16,698)
Adjustment for qualifying budget credit	29,734		29,734
TOTAL SHERIFF	2,687,807	2,505,693	182,114
Detention Center:			
Personnel services	492,000	429,773	62,227
Contractual services and other charges	85,650	58,903	26,747
Materials and supplies	146,500	102,346	44,154
Capital outlay	9,000	9,000	-
TOTAL DETENTION CENTER	733,150	600,022	133,128
Juvenile Detention:			
Contractual services and other charges	61,000	36,287	24,713
Materials and supplies	4,000	59	3,941
TOTAL JUVENILE DETENTION	65,000	36,346	28,654
TOTAL PUBLIC SAFETY	5,501,232	4,890,777	610,455
Public Works:			
Cemeteries:			
Contractual services and other charges	13,200	11,138	2,062
Materials and supplies	2,500	804	1,696
TOTAL CEMETERIES	15,700	11,942	3,758

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Noxious Weed:			
Personnel services	225,000	208,061	16,939
Contractual services and other charges	37,950	29,862	8,088
Materials and supplies	119,700	111,933	7,767
Capital outlay	42,700	42,679	21
Adjustment for qualifying budget credit	1,262		1,262
<b>TOTAL NOXIOUS WEED</b>	<b>426,612</b>	<b>392,535</b>	<b>34,077</b>
Road and Bridge:			
Personnel services	1,934,920	1,934,286	634
Contractual services and other charges	1,430,810	1,445,293	(14,483)
Materials and supplies	1,694,000	1,691,052	2,948
Capital outlay	678,200	676,707	1,493
Transfers out	1,253,000	1,253,000	-
Adjustment for qualifying budget credit	16,397		16,397
<b>TOTAL ROAD AND BRIDGE</b>	<b>7,007,327</b>	<b>7,000,338</b>	<b>6,989</b>
Solid Waste Disposal:			
Personnel services	121,000	112,845	8,155
Contractual services and other charges	335,500	333,956	1,544
Materials and supplies	17,800	7,436	10,364
Capital outlay	31,200	6,454	24,746
<b>TOTAL SOLID WASTE DISPOSAL</b>	<b>505,500</b>	<b>460,691</b>	<b>44,809</b>
<b>TOTAL PUBLIC WORKS</b>	<b>7,955,139</b>	<b>7,865,506</b>	<b>89,633</b>
Health and Welfare:			
County Health:			
Personnel services	480,000	358,607	121,393
Contractual services and other charges	72,950	66,233	6,717
Materials and supplies	54,750	21,259	33,491
Capital outlay	7,700	5,583	2,117
Adjustment for qualifying budget credit	145,248		145,248
<b>TOTAL COUNTY HEALTH</b>	<b>760,648</b>	<b>451,682</b>	<b>308,966</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Health Care Distributions:			
Pawnee Mental Health	60,000	60,000	-
Developmental Disability	174,364	174,364	-
Community Health Ministry:	7,500	7,500	-
3 Rivers Independent Living:	20,000	20,000	-
<b>TOTAL HEALTH CARE DISTRIBUTIONS</b>	<b>261,864</b>	<b>261,864</b>	<b>-</b>
Public Transportation:			
Personnel services	78,000	79,333	(1,333)
Contractual services and other charges	29,450	18,284	11,166
Materials and supplies	35,550	14,996	20,554
Capital outlay	20,000		20,000
Adjustment for qualifying budget credit	58,302		58,302
<b>TOTAL PUBLIC TRANSPORTATION</b>	<b>221,302</b>	<b>112,613</b>	<b>108,689</b>
Aging Services:			
Contractual services and other charges	56,000	44,403	11,597
Materials and supplies	1,500	1,073	427
Allocations and distributions	30,600	30,600	-
<b>TOTAL AGING SERVICES</b>	<b>88,100</b>	<b>76,076</b>	<b>12,024</b>
Environmental Health:			
Personnel services	63,050	63,038	12
Contractual services and other charges	3,250	2,698	552
Materials and supplies	5,600	2,635	2,965
Capital outlay	7,300		7,300
<b>TOTAL ENVIRONMENTAL HEALTH</b>	<b>79,200</b>	<b>68,371</b>	<b>10,829</b>
<b>TOTAL HEALTH AND WELFARE</b>	<b>1,411,114</b>	<b>970,606</b>	<b>440,508</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Culture and Recreation:			
County Park Operations:			
Contractual services and other charges	2,750	850	1,900
Materials and supplies	4,500	2,772	1,728
Capital outlay	4,500	2,628	1,872
TOTAL COUNTY PARK OPERATIONS	11,750	6,250	5,500
County Fair Operations:			
Allocations and distributions	85,000	85,000	-
TOTAL CULTURE AND RECREATION	96,750	91,250	5,500
Environment:			
Conservation District:			
Allocations and distributions	82,500	82,500	-
Economic Development:			
Transfer to component unit	210,000	210,000	-
Extension Services:			
Transfer to component unit	205,050	205,050	-
TOTAL ENVIRONMENT	497,550	497,550	-
TOTAL EXPENDITURES	27,170,512	25,092,651	2,077,861
RECEIPTS OVER (UNDER) EXPENDITURES	(5,881,312)	(560,496)	
Beginning Unencumbered Cash Balance	7,181,312	12,115,481	
Adjustment to unencumbered cash for prior year cancelled encumbrances		180,001	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 1,300,000</u>	<u>\$ 11,734,986</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Special assessments	\$ 1,094,365	\$ 1,068,315	\$ (26,050)
Delinquent specials		2,018	2,018
Debt proceeds		596,143	596,143
Transfers in		694,724	694,724
TOTAL CASH RECEIPTS	<u>1,094,365</u>	<u>2,361,200</u>	<u>1,266,835</u>
Expenditures:			
Contractual and other expenditures		51,771	(51,771)
Debt payments:			
Principal	1,095,365	1,326,100	(230,735)
Interest		233,093	(233,093)
Operating transfers		632,492	(632,492)
Adjustment for qualifying budget credit	1,148,091		1,148,091
TOTAL EXPENDITURES	<u>2,243,456</u>	<u>2,243,456</u>	<u>(0)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(1,149,091)	117,744	
Beginning Unencumbered Cash Balance	<u>1,849,572</u>	<u>696,215</u>	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 700,481</u>	<u>\$ 813,959</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Use of property	\$	\$ 88	\$ 88
Expenditures:			
Contractual and other expenditures	14,268		14,268
Capital Outlay	19,000	18,345	655
<b>TOTAL EXPENDITURES</b>	<b>33,268</b>	<b>18,345</b>	<b>14,923</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(33,268)</b>	<b>(18,257)</b>	
Beginning Unencumbered Cash Balance	33,268	21,831	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 3,574</b>	

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 353,700	\$ 352,474	\$ (1,226)
Delinquent tax		946	946
Motor vehicle tax	17,419	18,985	1,566
Vehicles rent excise tax		1	1
16/20M vehicle tax	631	558	(73)
Recreation vehicle tax	450	485	35
Refunds	1,322	1,622	300
Watercraft tax	167	165	(2)
<b>TOTAL CASH RECEIPTS</b>	<b>373,689</b>	<b>375,236</b>	<b>1,547</b>
Expenditures:			
Allocations and distributions	376,307	376,306	1
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(2,618)</b>	<b>(1,070)</b>	
Beginning Unencumbered Cash Balance	2,618	8,133	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 7,063</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 3,056,357	\$ 3,049,041	\$ (7,316)
Delinquent tax		4,924	4,924
Motor vehicle tax	107,397	124,605	17,208
Vehicles rent excise tax		7	7
16/20M vehicle tax	4,676	4,071	(605)
Recreation vehicle tax	2,785	3,310	525
Refunds	7,719	8,786	1,067
Watercraft tax	1,222	1,205	(17)
Charges for services		17,137	17,137
<b>TOTAL CASH RECEIPTS</b>	<b>3,180,156</b>	<b>3,213,086</b>	<b>32,930</b>
Expenditures:			
Contractual and other expenditures	450,000	446,866	3,134
Material and supplies	1,450,000	1,163,868	286,132
Operating transfers	1,522,955	1,431,162	91,793
<b>TOTAL EXPENDITURES</b>	<b>3,422,955</b>	<b>3,041,896</b>	<b>381,059</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(242,799)</b>	<b>171,190</b>	
Beginning Unencumbered Cash Balance	242,799	1,354,533	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 1,525,723</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 95,891	\$ 95,541	\$ (350)
Delinquent tax		273	273
Motor vehicle tax	5,113	5,323	210
Vehicles rent excise tax		116	116
16/20M vehicle tax	160	140	(20)
Recreation vehicle tax	122	131	9
Neighborhood revitalization rebate		(50)	(50)
Refunds	403	506	103
Watercraft tax	44	44	(0)
<b>TOTAL CASH RECEIPTS</b>	<b>101,733</b>	<b>102,024</b>	<b>291</b>
Expenditures:			
Contractual and other expenditures	192,516	101,237	91,279
Operating transfers	16	15	1
<b>TOTAL EXPENDITURES</b>	<b>192,532</b>	<b>101,252</b>	<b>91,280</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(90,799)</b>	<b>772</b>	
Beginning Unencumbered Cash Balance	90,799	174,536	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 175,308</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 47,945	\$ 47,777	\$ (168)
Delinquent tax		141	141
Motor vehicle tax	2,556	2,769	213
Vehicles rent excise tax		60	60
16/20M vehicle tax	80	70	(10)
Recreation vehicle tax	61	68	7
Neighborhood revitalization rebate		(25)	(25)
Refunds	202	266	64
Watercraft tax	23	23	0
<b>TOTAL CASH RECEIPTS</b>	<b>50,867</b>	<b>51,149</b>	<b>282</b>
Expenditures:			
Contractual and other expenditures	1,000	1,000	-
Material and supplies	61,889		61,889
Allocations and distributions	50,000	41,976	8,024
Operating transfers	29	29	0
<b>TOTAL EXPENDITURES</b>	<b>112,918</b>	<b>43,005</b>	<b>69,913</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(62,051)</b>	<b>8,144</b>	
Beginning Unencumbered Cash Balance	62,051	120,389	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 128,533</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Local alcohol liquor tax	\$ 24,793	\$ 11,170	\$ (13,623)
Expenditures:			
Allocations and distributions	69,624	1,016	68,608
RECEIPTS OVER (UNDER) EXPENDITURES	(44,831)	10,154	
Beginning Unencumbered Cash Balance	44,831	101,984	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 112,138	

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Local alcohol liquor tax	\$ 24,793	\$ 21,370	\$ (3,423)
Expenditures:			
Contractual and other expenditures	15,480		15,480
Allocations and distributions	37,311	15,480	21,831
TOTAL EXPENDITURES	52,791	15,480	37,311
RECEIPTS OVER (UNDER) EXPENDITURES	(27,998)	5,890	
Beginning Unencumbered Cash Balance	27,998	71,454	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 77,344	

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 41,087	\$ 41,157	\$ 70
Delinquent tax		111	111
Motor vehicle tax	2,151	2,316	165
16/20M vehicle tax	69	69	(0)
Recreation vehicle tax	56	59	3
Refunds	163	197	34
Watercraft	20	20	0
<b>TOTAL CASH RECEIPTS</b>	<b>43,546</b>	<b>43,929</b>	<b>383</b>
Expenditures:			
Allocations and distributions	43,795	43,794	1
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(249)</b>	<b>135</b>	
Beginning Unencumbered Cash Balance	249	1,231	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 1,366</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Charges for services	\$ 225,000	\$ 238,137	\$ 13,137
Expenditures:			
Contractual and other expenditures	500	58	442
Material and supplies	238,858	237,203	1,655
Capital Outlay	5,000		5,000
TOTAL EXPENDITURES	244,358	237,261	7,097
RECEIPTS OVER (UNDER) EXPENDITURES	(19,358)	876	
Beginning Unencumbered Cash Balance	19,358	104,385	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 105,261	

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Use of property	\$ 1,000	\$ 278	\$ (722)
Expenditures:			
Capital Outlay	31,686	29,188	2,498
RECEIPTS OVER (UNDER) EXPENDITURES	(30,686)	(28,910)	
Beginning Unencumbered Cash Balance	30,686	28,995	
ENDING UNENCUMBERED CASH BALANCE	\$ -	\$ 85	

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Use of property	\$ 144,500	\$ 149,092	\$ 4,592
Miscellaneous receipts	500	1,047	547
<b>TOTAL CASH RECEIPTS</b>	<b>145,000</b>	<b>150,139</b>	<b>5,139</b>
Expenditures:			
Contractual and other expenditures	120,500	118,607	1,893
Material and supplies	9,600	2,411	7,189
Capital Outlay	40,000	9,357	30,643
<b>TOTAL EXPENDITURES</b>	<b>170,100</b>	<b>130,375</b>	<b>39,725</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(25,100)</b>	<b>19,764</b>	
Beginning Unencumbered Cash Balance	161,100	267,523	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 136,000</b>	<b>\$ 287,287</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$ 6,000	\$ 6,240	\$ 240
Expenditures:			
Contractual and other expenditures	3,000	2,880	120
Material and supplies	12,473		12,473
<b>TOTAL EXPENDITURES</b>	<b>15,473</b>	<b>2,880</b>	<b>12,593</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(9,473)</b>	<b>3,360</b>	
Beginning Unencumbered Cash Balance	9,473	10,379	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 13,739</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, 2017**

	Special Highway Improvement	Attorney Check Fee	Attorney Forfeiture	Law Enforcement Trust Fund	Capital Improvement
<b>Cash Receipts:</b>					
Taxes and Shared Revenue	\$	\$	\$	\$	\$
Licenses and permits		230			
Charges for services					
Reimbursements and grants	92,529				
Miscellaneous receipts		2,498	393	2,227	385,000
Transfers in	2,840,000				
<b>TOTAL CASH RECEIPTS</b>	<b>2,932,529</b>	<b>2,728</b>	<b>393</b>	<b>2,227</b>	<b>385,000</b>
<b>Expenditures:</b>					
Personnel expenditures					
Contractual and other expenditures	981,574		240		13,869
Material and supplies	129,182			1,000	6,136
Capital Outlay			963		363,735
Operating transfers	1,110,826				
<b>TOTAL EXPENDITURES</b>	<b>2,221,582</b>	<b>-</b>	<b>1,203</b>	<b>1,000</b>	<b>383,740</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>710,947</b>	<b>2,728</b>	<b>(810)</b>	<b>1,227</b>	<b>1,260</b>
Beginning Unencumbered Cash Balance	4,290,282	21,635	4,594	4,588	5,001,093
Adjustment to unencumbered cash for prior year cancelled encumbrances					
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 5,001,229</b>	<b>\$ 24,363</b>	<b>\$ 3,784</b>	<b>\$ 5,815</b>	<b>\$ 5,002,353</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, 2017**

	Equipment Reserve	Prosecuting Attorney Training	Special Auto	Fair Association	Deeds Technology
<b>Cash Receipts:</b>					
Taxes and Shared Revenue	\$	\$	\$	6	\$
Licenses and permits			196,841		40,216
Charges for services					
Reimbursements and grants					
Miscellaneous receipts		3,341			
Transfers in	617,709				
<b>TOTAL CASH RECEIPTS</b>	<b>617,709</b>	<b>3,341</b>	<b>196,841</b>	<b>6</b>	<b>40,216</b>
<b>Expenditures:</b>					
Personnel expenditures			30,393		
Contractual and other expenditures		2,346	11,361		12,447
Material and supplies			5,743		869
Capital Outlay	21,611		478		3,961
Operating transfers			155,344	6	
<b>TOTAL EXPENDITURES</b>	<b>21,611</b>	<b>2,346</b>	<b>203,319</b>	<b>6</b>	<b>17,277</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>596,098</b>	<b>995</b>	<b>(6,478)</b>	<b>-</b>	<b>22,939</b>
Beginning Unencumbered Cash Balance	306,749	3,781	158,882		50,066
Adjustment to unencumbered cash for prior year cancelled encumbrances					
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 902,847</b>	<b>\$ 4,776</b>	<b>\$ 152,404</b>	<b>\$ -</b>	<b>\$ 73,005</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, 2017**

	VIN Registration Fees	Clerks Technology	Treasurers Technology
Cash Receipts:			
Taxes and Shared Revenue	\$	\$	\$
Licenses and permits	25,956	10,054	10,054
Charges for services			
Reimbursements and grants			
Miscellaneous receipts			
Transfers in			
<b>TOTAL CASH RECEIPTS</b>	<b>25,956</b>	<b>10,054</b>	<b>10,054</b>
Expenditures:			
Personnel expenditures			
Contractual and other expenditures			
Material and supplies		1,278	36
Capital Outlay		1,529	1,957
Operating transfers			
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>2,807</b>	<b>1,993</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>25,956</b>	<b>7,247</b>	<b>8,061</b>
Beginning Unencumbered Cash Balance	51,660	6,851	15,925
Adjustment to unencumbered cash for prior year cancelled encumbrances			
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 77,616</b>	<b>\$ 14,098</b>	<b>\$ 23,986</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, 2017**

	Timber Creek Stormwater	Nelsons Ridge Unit 4 Construction	Elbo Creek Unit 5 Construction	Falling Leaf Unit 2 Construction	Sunset Ridge Unit 3 Construction
Cash Receipts:					
Taxes and Shared Revenue	\$	\$	\$	\$	\$
Charges for services			554	37,841	
Use of property		807	1,086	458	517
Reimbursements and grants					
Debt proceeds		550,121	712,677	323,603	406,054
Transfers in					
<b>TOTAL CASH RECEIPTS</b>	<b>-</b>	<b>550,928</b>	<b>714,317</b>	<b>361,902</b>	<b>406,571</b>
Expenditures:					
Contractual and other expenditures	6,038	2,109	65,060	70,716	5,549
Material and supplies					
Capital Outlay					
Allocations and distributions					
Debt payments:					
Principal		635,000	835,000	380,000	470,000
Interest		8,698	10,328	3,652	4,517
Operating transfers		306	511	202	229
<b>TOTAL EXPENDITURES</b>	<b>6,038</b>	<b>646,113</b>	<b>910,899</b>	<b>454,570</b>	<b>480,295</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(6,038)</b>	<b>(95,185)</b>	<b>(196,582)</b>	<b>(92,668)</b>	<b>(73,724)</b>
Beginning Unencumbered Cash Balance	18,751	95,185	196,582	92,668	73,724
Adjustment to unencumbered cash for prior year cancelled encumbrances					
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 12,713</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</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, 2017**

	Whispering Meadows 4 Construction		Wheaton Fire Station Construction		Green Valley/Hwy 24 Intersection		Olsburg Fire Station Construction	
	\$	25,175	\$		\$		\$	
Cash Receipts:								
Taxes and Shared Revenue	\$	25,175	\$		\$		\$	
Charges for services		1,058						
Use of property					169,652			
Reimbursements and grants		841,368			2,010,826		300,000	
Debt proceeds								
Transfers in		867,601		-	2,180,478		300,000	
<b>TOTAL CASH RECEIPTS</b>								
Expenditures:								
Contractual and other expenditures		277,933		138,513				
Material and supplies								
Capital Outlay							300,000	
Allocations and distributions								
Debt payments:								
Principal	985,000							
Interest	9,530							
Operating transfers	443							
<b>TOTAL EXPENDITURES</b>		1,272,906		138,513		-	300,000	
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>		(405,305)		(138,513)		2,180,478	-	
Beginning Unencumbered Cash Balance		405,305		138,513				
Adjustment to unencumbered cash for prior year cancelled encumbrances								
<b>ENDING UNENCUMBERED CASH BALANCE</b>	\$	-	\$	-	\$	2,180,478	\$	-

See independent auditor's report.

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

	Nelsons Ridge Unit 5 Construction	Wildcat Woods Unit 2 Construction	Brook Ridge 3 Construction	John Scott/Grantham Paving
Cash Receipts:				
Taxes and Shared Revenue	\$	\$	\$	\$
Charges for services		40,000	10,372	
Use of property	4,175	4,130	1,067	60
Reimbursements and grants				
Debt proceeds	980,000	1,075,000	825,000	480,000
Transfers in				
<b>TOTAL CASH RECEIPTS</b>	<b>984,175</b>	<b>1,119,130</b>	<b>836,439</b>	<b>480,060</b>
Expenditures:				
Contractual and other expenditures	690,707	971,993	649,138	307,992
Material and supplies				51,280
Capital Outlay				
Allocations and distributions				
Debt payments:				
Principal				
Interest				
Operating transfers				
<b>TOTAL EXPENDITURES</b>	<b>690,707</b>	<b>971,993</b>	<b>649,138</b>	<b>359,272</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>293,468</b>	<b>147,137</b>	<b>187,301</b>	<b>120,788</b>
Beginning Unencumbered Cash Balance				
Adjustment to unencumbered cash for prior year cancelled encumbrances				
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 293,468</b>	<b>\$ 147,137</b>	<b>\$ 187,301</b>	<b>\$ 120,788</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$ 700,000	\$ 758,821	\$ 58,821
Charges for services		4,054	4,054
Miscellaneous receipts	1,000	381	(619)
<b>TOTAL CASH RECEIPTS</b>	<b>701,000</b>	<b>763,256</b>	<b>62,256</b>
Expenditures:			
Personnel expenditures	60,000	55,780	4,220
Contractual and other expenditures	419,350	384,262	35,088
Material and supplies	20,000	7,093	12,907
Capital Outlay	9,000		9,000
Debt payments:			
Principal	165,000	113,542	51,458
Interest		51,451	(51,451)
Operating transfers	33,650	33,648	2
<b>TOTAL EXPENDITURES</b>	<b>707,000</b>	<b>645,776</b>	<b>61,224</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(6,000)</b>	<b>117,480</b>	
Beginning Unencumbered Cash Balance	634,827	709,465	
Adjustment to unencumbered cash for prior year cancelled encumbrances		1,786	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 628,827</b>	<b>\$ 828,731</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, 2017**

Cash Receipts:

Licenses and permits	\$ 183,300
Transfers in	<u>33,648</u>

TOTAL CASH RECEIPTS	<u>216,948</u>
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Expenditures:

Contractual and other expenditures	279,130
Material and supplies	<u>45,018</u>

TOTAL EXPENDITURES	<u>324,148</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	(107,200)
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Beginning Unencumbered Cash Balance	<u>987,888</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 880,688</u></u>
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**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - TIMBERCREEK WATER OPERATIONS  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Sales and compensating use tax	\$ 300	\$ 381	\$ 81
Licenses and permits	160,000	141,797	(18,203)
Reimbursements and grants		523	523
Miscellaneous receipts	1,000	384	(616)
<b>TOTAL CASH RECEIPTS</b>	<b>161,300</b>	<b>143,085</b>	<b>(18,215)</b>
Expenditures:			
Personnel expenditures	60,000	43,380	16,620
Contractual and other expenditures	50,800	35,707	15,093
Material and supplies	26,000	10,074	15,926
Capital Outlay	6,000		6,000
Operating transfers	47,200	47,118	82
Adjustment for qualifying budget credit	523		523
<b>TOTAL EXPENDITURES</b>	<b>190,523</b>	<b>136,279</b>	<b>54,244</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(29,223)</b>	<b>6,806</b>	
Beginning Unencumbered Cash Balance	110,926	130,804	
Adjustment to unencumbered cash for prior year cancelled encumbrances		125	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 81,703</b>	<b>\$ 137,735</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, 2017**

Cash Receipts:

Transfers in	<u>\$ 47,118</u>
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Expenditures:

Contractual and other expenditures	<u>19,642</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	27,476
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Beginning Unencumbered Cash Balance	<u>432,941</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 460,417</u></u>
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**SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS - FOSTORIA SEWER OPERATIONS  
BUSINESS FUND - (SCHEDULE 2)**

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Miscellaneous receipts	\$ 2,500	\$ 4,196	\$ 1,696
Expenditures:			
Personnel expenditures	20	15	5
Contractual and other expenditures	9,980	2,138	7,842
Material and supplies	500		500
<b>TOTAL EXPENDITURES</b>	<b>10,500</b>	<b>2,153</b>	<b>8,347</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(8,000)</b>	<b>2,043</b>	
Beginning Unencumbered Cash Balance	22,455	22,010	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 14,455</b>	<b>\$ 24,053</b>	

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, 2017**

Cash Receipts:

Miscellaneous receipts	\$ 1,630
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Expenditures:

RECEIPTS OVER (UNDER) EXPENDITURES	1,630
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Beginning Unencumbered Cash Balance	20,074
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ENDING UNENCUMBERED CASH BALANCE	\$ 21,704
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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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Licenses and permits	\$ 10,000	\$ 14,324	\$ 4,324
Expenditures:			
Contractual and other expenditures	3,800	3,477	323
Material and supplies	500	36	464
Operating transfers	2,000		2,000
<b>TOTAL EXPENDITURES</b>	<b>6,300</b>	<b>3,513</b>	<b>2,787</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>3,700</b>	<b>10,811</b>	
Beginning Unencumbered Cash Balance	17,044	24,192	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ 20,744</b>	<b>\$ 35,003</b>	

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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Special assessments	\$ 3,000	\$	\$ (3,000)
Expenditures:			
Contractual and other expenditures	3,000	3,000	-
RECEIPTS OVER (UNDER) EXPENDITURES	-	(3,000)	
Beginning Unencumbered Cash Balance	13,657	14,143	
ENDING UNENCUMBERED CASH BALANCE	<u>\$ 13,657</u>	<u>\$ 11,143</u>	

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, 2017**

Cash Receipts:

Licenses and permits	\$ 5,700
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Expenditures:

RECEIPTS OVER (UNDER) EXPENDITURES	5,700
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Beginning Unencumbered Cash Balance	33,250
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ENDING UNENCUMBERED CASH BALANCE	<u>\$ 38,950</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, 2017**

<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	\$ 27,066,433	\$ 51,550,984	\$ 49,827,112	\$ 28,790,305
Current watercraft	14,154	23,341	22,396	15,099
Current personal property	413,140	671,357	710,543	373,954
Current 16/20M vehicle	38,202	52,686	49,843	41,045
Delinquent real estate	70,071	227,884	114,963	182,992
Delinquent watercraft	142	498	627	13
Delinquent personal property	7,151	16,520	19,363	4,308
Delinquent 16/20M vehicle	341	313	267	387
Motor vehicle	486,588	2,308,844	2,265,712	529,720
Commercial truck receipts	10,160	448,181	450,397	7,944
Excise tax holding fund	30,631	60,660	64,009	27,282
Heritage Trust Funds	40,996	20,108		61,104
<b>Total Distributable Funds</b>	<b>28,178,009</b>	<b>55,381,376</b>	<b>53,525,232</b>	<b>30,034,153</b>
<b>State Funds:</b>				
State education building		564,654	564,654	-
State institutional building		282,327	282,327	-
State general fund		1	1	-
<b>Total State Funds</b>	<b>-</b>	<b>846,982</b>	<b>846,982</b>	<b>-</b>
<b>Subdivision Funds:</b>				
Cities	505,099	6,179,377	6,207,147	477,329
Townships		279,233	279,233	-
School districts	3,226	24,035,927	24,037,977	1,176
Hospital districts	20,776	1,959,303	1,959,677	20,402
Drainage districts	2,616	25,273	23,975	3,914
Cemetery districts		27,489	27,489	-
Watershed districts	3,997	240,628	240,804	3,821
Rural water districts	7,710	15		7,725
<b>Total Subdivision Funds</b>	<b>543,424</b>	<b>32,747,245</b>	<b>32,776,302</b>	<b>514,367</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, 2017**

<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		2,613	2,613	-
Kansas waterfowl stamp		100	100	-
Brook Ridge sewer agency		11,451	11,451	-
County activity fund	1,160	202		1,362
Cereal malt beverage stamp		375	375	-
Kansas drivers license		24,881	23,325	1,556
Motor license		1,463,493	1,462,089	1,404
Over and under		159,725	149,725	10,000
Sales tax		959,579	886,496	73,083
Unclaimed estates	3,528			3,528
Neighborhood revitalization		37,489	37,489	-
Disaster Relief Abatement	328		106	222
<b>Total Other Agency Funds</b>	<u>5,016</u>	<u>2,659,908</u>	<u>2,573,769</u>	<u>91,155</u>
	<u>28,726,449</u>	<u>91,635,511</u>	<u>89,722,285</u>	<u>30,639,675</u>
<b>Outside Accounts Considered to be Agency Funds</b>				
District Court	168,110	912,640	900,676	180,074
Pottawatomie County Sheriff	3,292	49,311	49,220	3,383
Law Library	32,641	16,785	8,461	40,965
	<u>204,043</u>	<u>978,736</u>	<u>958,357</u>	<u>224,422</u>
<b>TOTAL AGENCY FUNDS</b>	<u>\$ 28,930,492</u>	<u>\$ 92,614,247</u>	<u>\$ 90,680,642</u>	<u>\$ 30,864,097</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 33,531	\$ 33,357	\$ (174)
Delinquent tax		107	107
Mineral tax		1	1
Motor vehicle tax	2,671	2,499	(172)
16/20M vehicle tax	360	348	(12)
Recreation vehicle tax	83	62	(21)
Refunds	164	227	63
Watercraft Tax	10	10	0
Miscellaneous receipts	9	56	47
<b>TOTAL CASH RECEIPTS</b>	<b>36,828</b>	<b>36,667</b>	<b>(161)</b>
Expenditures:			
Contractual and other expenditures	17,000	14,298	2,702
Material and supplies	12,000	8,286	3,714
Capital Outlay	89,068		89,068
<b>TOTAL EXPENDITURES</b>	<b>118,068</b>	<b>22,584</b>	<b>95,484</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(81,240)</b>	<b>14,083</b>	
Beginning Unencumbered Cash Balance	81,240	89,146	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 103,229</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 165,165	\$ 164,214	\$ (951)
Delinquent tax		523	523
Motor vehicle tax	15,207	17,548	2,341
Vehicles rent excise tax		3	3
16/20M vehicle tax	377	217	(160)
Recreation vehicle tax	250	244	(6)
Refunds	1,478	1,631	153
Watercraft Tax	193	194	1
Charges for services		14,500	14,500
Reimbursements and grants		5,032	5,032
Miscellaneous receipts		131	131
<b>TOTAL CASH RECEIPTS</b>	<b>182,670</b>	<b>204,237</b>	<b>21,567</b>
Expenditures:			
Personnel expenditures	5,000	4,200	800
Contractual and other expenditures	60,000	57,097	2,903
Material and supplies	40,000	24,220	15,780
Capital Outlay	150,605	1,676	148,929
Adjustment for qualifying budget credit			-
<b>TOTAL EXPENDITURES</b>	<b>255,605</b>	<b>87,193</b>	<b>168,412</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(72,935)</b>	<b>117,044</b>	
Beginning Unencumbered Cash Balance	72,935	154,408	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 271,452</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, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Delinquent tax	\$	\$ 65	\$ 65
16/20M vehicle tax	274		(274)
Miscellaneous receipts	1,500		(1,500)
<b>TOTAL CASH RECEIPTS</b>	<b>1,774</b>	<b>65</b>	<b>(1,709)</b>
Expenditures:			
Operating transfers	1,787	65	1,722
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(13)</b>	<b>-</b>	
Beginning Unencumbered Cash Balance	13		
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ -</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. 10**

**Year Ended December 31, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$	\$ 2	\$ 2
Delinquent tax		483	483
Motor vehicle tax	12,624	3,468	(9,156)
16/20M vehicle tax	188	178	(10)
Recreation vehicle tax	359	85	(274)
Refunds	281	10	(271)
Miscellaneous receipts	1,500		(1,500)
<b>TOTAL CASH RECEIPTS</b>	<b>14,952</b>	<b>4,226</b>	<b>(10,726)</b>
Expenditures:			
Operating transfers	15,961	4,226	11,735
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(1,009)</b>	<b>-</b>	
Beginning Unencumbered Cash Balance	1,009		
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ -</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 CONSOLIDATED FIRE DISTRICT NO. 1**

**Year Ended December 31, 2017**

	Budget	Actual	Favorable (Unfavorable) Variance
Cash Receipts:			
Ad valorem tax	\$ 729,700	\$ 728,316	\$ (1,384)
Delinquent tax		789	789
Motor vehicle tax	13,784	20,285	6,501
16/20M vehicle tax	2	459	457
Recreation vehicle tax	423	652	229
Refunds	1,065	1,576	511
Watercraft Tax	198	193	(5)
Charges for services		2,800	2,800
Reimbursements and grants		23,862	23,862
Miscellaneous receipts		372	372
Transfers in		4,622	4,622
<b>TOTAL CASH RECEIPTS</b>	<b>745,172</b>	<b>783,926</b>	<b>38,754</b>
Expenditures:			
Personnel expenditures	88,000	88,217	(217)
Contractual and other expenditures	241,437	241,102	335
Material and supplies	27,000	25,095	1,905
Capital Outlay	313,485	313,218	267
Operating transfers	340,500	340,117	383
<b>TOTAL EXPENDITURES</b>	<b>1,010,422</b>	<b>1,007,749</b>	<b>2,673</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(265,250)</b>	<b>(223,823)</b>	
Beginning Unencumbered Cash Balance	265,250	336,258	
Adjustment to unencumbered cash for prior year cancelled encumbrances		3,360	
<b>ENDING UNENCUMBERED CASH BALANCE</b>	<b>\$ -</b>	<b>\$ 115,795</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, 2017**

Cash Receipts:

Transfers in	\$ 275,000
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Expenditures:

RECEIPTS OVER (UNDER) EXPENDITURES	275,000
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Beginning Unencumbered Cash Balance	295,000
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ENDING UNENCUMBERED CASH BALANCE	\$ 570,000
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See independent auditor's report.



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

**POTTAWATOMIE COUNTY NON-BUDGETED FIRE DISTRICTS**

**Year Ended December 31, 2017**

	Joint Fire District No. 1	Fire District No. 2	Joint Fire District No. 4	Fire District No. 7	Fire District No. 8
Cash Receipts:					
Delinquent tax	\$ 112	\$	\$	\$ 218	\$
Expenditures:					
Operating transfers	112			218	
RECEIPTS OVER (UNDER)	-	-	-	-	-
EXPENDITURES					
Beginning Unencumbered Cash Balance					
ENDING UNENCUMBERED CASH					
BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -

\*Fire Districts have been consolidated into one District. Old taxes are still being collected in each district and transferred to the Consolidated Fund.

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

**POTTAWATOMIE COUNTY ECONOMIC DEVELOPMENT CORPORATION**

**Year Ended December 31, 2017**

Cash Receipts:

Special projects	\$ 231,747
Proceeds from disposition of property	71,602
Use of property	9,612
Miscellaneous receipts	1,500
Transfers from primary government	<u>210,000</u>

TOTAL CASH RECEIPTS	<u>524,461</u>
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Expenditures:

Personnel expenditures	175,813
Contractual and other expenditures	208,180
Material and supplies	7
Capital Outlay	<u>2,029</u>

TOTAL EXPENDITURES	<u>386,029</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	138,432
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Beginning Unencumbered Cash Balance	<u>1,159,730</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 1,298,162</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, 2017**

Cash Receipts:

Interest revenue	\$ 90
Reimbursements and grants	2,334
Kansas State University reimbursement	28,420
Educational services	16,612
Transfers from primary government	<u>205,050</u>

TOTAL CASH RECEIPTS	<u>252,506</u>
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Expenditures:

Personnel expenditures	125,942
Personnel expenditures reimbursed by Kansas State University	28,460
Employee benefits	27,535
Contractual and other expenditures	50,401
Contractual and other expenditures - grant expenditures	2,334
Material and supplies	<u>2,608</u>

TOTAL EXPENDITURES	<u>237,280</u>
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RECEIPTS OVER (UNDER) EXPENDITURES	15,226
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Beginning Unencumbered Cash Balance	<u>101,137</u>
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ENDING UNENCUMBERED CASH BALANCE	<u><u>\$ 116,363</u></u>
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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, 2017

#### COUNTY TREASURER

Checking account:

Farmers State Bank, Westmoreland \$ 11,483,664

Savings account:

First National Bank, Wamego 7,725

Certificates of deposits:

Union State Bank, Olsburg 400,000

Community First National Bank, Manhattan 9,000,000

Kaw Valley State Bank, Wamego 3,000,000

Bank of the Flint Hills, Wamego 5,000,000

Kansas State Bank, Manhattan 8,000,000

25,400,000

Change fund and petty cash 850

Municipal Investment Pool 28,607,800

TOTAL COUNTY TREASURER \$ 65,500,039

#### CLERK OF THE DISTRICT COURT

Checking:

Farmers State Bank, Westmoreland 180,074

#### POTTAWATOMIE COUNTY SHERIFF

Checking:

Farmers State Bank, Westmoreland 3,383

#### LAW LIBRARY

Checking:

Farmers State Bank, Westmoreland 40,965

#### COMPONENT UNITS

Pottawatomie County Economic Development Corp. 1,304,290

Pottawatomie County Extension Council 116,363

1,420,653

TOTAL CASH BALANCES \$ 67,145,114

See independent auditor's report.

## SCHEDULE 6 - TAX ROLL RECONCILIATION

### POTTAWATOMIE COUNTY, KANSAS

Year Ended December 31, 2017

#### 2016 Tax roll - as adjusted:

County Clerk's abstract of 2016 tax roll	\$ 50,709,545
Special assessments	1,933,879
16/20 M trucks	50,180
Watercraft	22,805
Personal Property under \$5	(410)
General tax differences	150
Adjustments to original tax roll:	
Added taxes	44,101
Abated taxes	<u>(35,186)</u>

Adjusted 2015 tax roll	<u><u>\$ 52,725,064</u></u>
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#### 2016 Tax roll - as accounted for:

Collections during 2016 through December 2016	28,465,085
Collections during 2017 through September 2017	23,927,475
Refunds through September 2017	<u>(14,860)</u>

Net tax roll collections	52,377,700
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Delinquent personal property as of September 30, 2017	21,271
Delinquent real estate taxes as of September 30, 2017	<u>326,093</u>

Net delinquent taxes	<u>347,364</u>
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2016 tax roll accounted for	<u><u>\$ 52,725,064</u></u>
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See independent auditor's report.

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

Balance, Beginning of Year	<u>\$ 168,110</u>
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**Receipts:**

Judgments, restitutions, etc.	280,051
Clerk fees - State	186,789
Clerk fees - County	4,772
Fines	146,713
Law enforcement training center	27,814
Refund	10
Law library	16,691
State attorney fee	8,689
County attorney fee	40,965
Marriage license fees	4,779
State general fund	824
Interest	156
Prosecuting attorney training center	3,429
Indigent defense fees	1,614
Judicial branch surcharge	66,098
Criminal probation fee	4,525
Forfeitures	700
Bonds	88,981
Other	<u>29,040</u>

<b>TOTAL RECEIPTS</b>	<b>912,640</b>
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**Expenditures:**

**To County Treasurer:**

County attorney fees	40,965
Refund	10
Law library	16,691
Clerk fees	4,772
Prosecuting attorney training	3,429
Other	<u>31,585</u>

<b>TOTAL EXPENDITURES TO COUNTY TREASURER</b>	<b><u>97,452</u></b>
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See independent auditor's report.

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

Expenditures:

To State Treasurer:

Clerk fees	186,790
Fines	146,713
Law enforcement training center	27,814
State attorney fees	8,689
Marriage license fees	4,779
State general fund	824
Interest	145
Reinstatement fees	2,487
Indigent defense fees	1,614

TOTAL EXPENDITURES TO STATE TREASURER	<u>379,855</u>
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Judgment, restitutions, and other	356,571
Forfeitures	<u>66,798</u>

TOTAL OTHER EXPENDITURES	<u>423,369</u>
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TOTAL EXPENDITURES	<u>900,676</u>
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BALANCE, END OF YEAR	<u><u>\$ 180,074</u></u>
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Composition of ending balance:

Cash in Farmers State Bank, Westmoreland, Kansas	<u><u>\$ 180,074</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, 2017**

Balance, Beginning of Year	\$ 3,292
Receipts:	
VIN fees	29,080
Miscellaneous fees	690
Sheriff's fees	11,478
Concealed carry fees	1,723
Offender registration fees	6,340
TOTAL RECEIPTS	49,311
Expenditures:	
To County Treasurer:	
VIN fees	25,956
Sheriff's fees	11,782
Concealed carry fees	1,658
Offender registration fees	6,240
TOTAL EXPENDITURES TO COUNTY TREASURER	45,636
Other expenditures	3,584
TOTAL EXPENDITURES	49,220
BALANCE, END OF YEAR	\$ 3,383
Composition of ending balance:	
Cash in Farmers State Bank, Westmoreland, Kansas	\$ 3,383

See independent auditor's report.

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

**POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

Balance, Beginning of Year	<u>\$ 32,641</u>
Receipts:	
Deposits of District Court	16,330
Dues	<u>455</u>
<b>TOTAL RECEIPTS</b>	<u>16,785</u>
Expenditures:	
Secretary of State	243
Miscellaneous	<u>8,218</u>
<b>TOTAL EXPENDITURES</b>	8,461
<b>BALANCE, END OF YEAR</b>	<u><u>\$ 40,965</u></u>
Composition of ending balance:	
Cash in Farmers State Bank, Westmoreland, Kansas	<u><u>\$ 40,965</u></u>

See independent auditor's report.

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

### **POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

#### **COUNTY ENGINEER**

Balance, Beginning of Year	\$ 1,627
Add charges:	
Sales of services, material, and equipment	407,074
Less credits:	
Collected on account	<u>408,701</u>
Balance, End of Year	<u><u>\$ (0)</u></u>

#### **NOXIOUS WEED**

Balance, Beginning of Year	\$ 1,953
Add charges:	
Sales of services, material, and equipment	236,796
Less credits:	
Collected on account	<u>238,138</u>
Balance, End of Year	<u><u>\$ 611</u></u>

See independent auditor's report.

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

### **POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

#### **COUNTY HEALTH DEPARTMENT**

Balance, Beginning of Year	\$ 5,603
Add charges:	
Services provided	<u>67,210</u>
Total Charges and Increases	<u>67,210</u>
Less credits:	
Collections:	
Insurance carriers	13,037
Medicare	-
Client and contracts	29,460
Adjustments and write-off's	<u>27,798</u>
Total Payments and Adjustments	<u>70,295</u>
Balance, End of Year	<u><u>\$ 2,518</u></u>
Schedule of Aged Receivables:	
Under 30 days	\$ 1,140
30 - 60 days	565
60 - 90 days	1,099
Over 90 days	<u>(286)</u>
Balance, End of Year	<u><u>\$ 2,518</u></u>

See independent auditor's report.

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

### **POTTAWATOMIE COUNTY, KANSAS**

**Year Ended December 31, 2017**

#### **AMBULANCE DEPARTMENT**

Balance, Beginning of Year

Add charges:

Services provided	\$ 143,440
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Total Charges and Increases	143,440
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Less credits:

Collections:

Insurance carriers	5,958
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Medicare	8,975
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Client and contracts	1,588
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Adjustments and write-off's	9,689
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Total Payments and Adjustments	26,210
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Balance, End of Year	\$ 117,230
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Schedule of Aged Receivables:

Under 30 days	\$ 52,217
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30 - 60 days	65,013
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60 - 90 days	-
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Over 90 days	-
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Balance, End of Year	\$ 117,230
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See independent auditor's report.