

FINNEY COUNTY, KANSAS

Financial Report

For the Year Ended
December 31, 2011

FINNEY COUNTY, KANSAS

Financial Report

For the Year ended December 31, 2011

TABLE OF CONTENTS

INTRODUCTORY SECTION

Table of Contents i

FINANCIAL SECTION

Independent Auditors' Report..... 1

STATEMENT 1

Summary of Cash Receipts, Expenditures and Unencumbered Cash..... 4

Notes to Financial Statements 7

SUPPLEMENTAL INFORMATION

SCHEDULE 1

Summary of Expenditures - Actual and Budget (Budgeted Funds Only)..... 27

SCHEDULE 2

Schedule of Cash Receipts and Expenditures -

A. General Fund 29
B. Aging Fund 34
C. Alcohol Programs Fund 35
D. Ambulance Fund 36
E. Bioterrorism Grant Fund 37
F. Building and Road Maintenance Program Fund 38
G. Capital Improvement Reserve Fund 39
H. Community Correction Fund 40
I. County Attorney's Training Fund 41
J. County Employee Benefit Fund 42
K. Economic Development Fund 43
L. E911 Services Fund 44
M. Emergency Planning Grants Fund 45
N. Finney County Fair Association Fund 46
O. Free Fair and Fair Grounds Fund 47
P. GIS Fund 48
Q. Health Fund 49
R. Historical Museum Fund 50
S. Jail Commissary and Telephone Fund 51
T. Jail Grant Fund 52
U. Juvenile Detention Center Fund 53
V. Juvenile Detention Center Building Fund 54
W. Juvenile Detention Center Grants Fund 55
X. Library Maintenance Fund 56
Y. Mental Retardation Fund 57

Z.	Noxious Weed Fund	58
AA.	Noxious Weed Capital Outlay Fund	59
AB.	Parks and Recreation Fund	60
AC.	Register of Deeds' Technology Fund	61
AD.	Road and Bridge Fund.....	62
AE.	Special Alcohol and Drug Fund	63
AF.	Special Highway Improvement Fund.....	64
AG.	Special Road Machinery and Equipment Fund	65
AH.	Sheriff's Crime Prevention Fund.....	66
AI.	Sheriff's Special Account Fund.....	67
AJ.	Federal and State Forfeiture Fund.....	68
AK.	State Drug Tax Assessment Fund.....	69
AL.	Western Pyramid Public Health Region Fund	70
AM.	Women, Infants and Children Grant Fund.....	71
AN.	Youth Services Fund	72
AO.	Bond and Interest Fund	74
AP.	LEC/Courthouse Improvements Fund	76
AQ.	Landfill Fund	78
AR.	Sewer District #1 Fund	79
AS.	Sewer District #2 Fund	80
AT.	Sewer District #3 Fund	81
AU.	Sewer District #3 Bond and Interest Fund.....	82
AV.	CDBG Revolving Loan Fund	84
AW.	Finney County Extension Council.....	86
AX.	Finney County Public Library - General Fund	87
AY.	Finney County Public Library - Capital Improvement Fund.....	88
SCHEDULE 3		
	Schedule of Cash Receipts and Cash Disbursements- Trust and Agency Funds.....	91
SCHEDULE 4		
	Schedule of Cash Receipts and Expenditures - Actual and Budget - General Fund	92
SCHEDULE 5		
	Reconciliation of 2010 Tax Roll	96
SCHEDULE 6		
	Schedule of Expenditures of Federal Awards.....	97
SCHEDULE 7		
	Notes to Schedule of Expenditures of Federal Awards.....	99

SINGLE AUDIT SECTION

Independent Auditors' 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* 101

Independent Auditors' Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major
Program and on Internal Control Over Compliance in
Accordance with OMB Circular A-133 103

Schedule of Findings and Questioned Costs 105

Corrective Action Plan and Comments on Audit Resolution
Matters Relating to the Federal Award Programs 109

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FINANCIAL
SECTION



INDEPENDENT AUDITORS' REPORT

The County Commissioners
Finney County
Garden City, Kansas 67846

We have audited the summary statement of cash receipts, expenditures and unencumbered cash of Finney County, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the County's management. 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 contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the Kansas Municipal Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the County prepared these statutory basis financial statements using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter described in the preceding paragraph, the statutory basis financial statement referred to in the first paragraph does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Finney County, Kansas, as of December 31, 2011, or the changes in its financial position, or where applicable, its cash flows for the year then ended. Further, the County has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Further, in our opinion, the financial statement as discussed above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of Finney County, Kansas, as of December 31, 2011, and the aggregate cash receipts and expenditures for the year then ended, on the basis of accounting described in Note 1.

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In accordance with Government Auditing Standards, we have also issued our report dated June 21, 2012, on our consideration of Finney County, Kansas' 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Finney County, Kansas, taken as a whole. The accompanying financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the statutory financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the statutory basis financial statements of Finney County, Kansas. 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement as a whole.

The 2010 actual columns presented in the individual fund schedules of cash receipts and expenditures (Schedules 2 and 4 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2010 financial statement upon which we rendered an unqualified opinion dated May 19, 2011. The 2010 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards, at the following link <http://www.da.ks.gov/ar/muniserv/EAuditAccept.htm>. Such 2010 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2010 financial statements. The 2010 comparative information was subjected to the auditing procedures applied in the audit of the 2010 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2010 financial statements or to the 2010 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2010 comparative information is fairly stated in all material respects in relation to the 2010 financial statements as a whole.



LEWIS, HOOPER & DICK, LLC

June 21, 2012

Financial Statements

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

Fund	Unencumbered Cash (Deficit) 01/01/11	Cash Receipts	Expenditures	Unencumbered Cash (Deficit) 12/31/11	Add Payables and Encumbrances	Treasurer's Cash (Deficit) 12/31/11
Operating						
General	\$ 4,110,783	\$ 12,610,071	\$ 13,114,436	\$ 3,606,418	\$ 452,181	\$ 4,058,599
Special Revenue Funds						
Aging	618	405,577	390,000	16,195	-	16,195
Alcohol Programs	11,214	16,003	19,044	8,173	990	9,163
Ambulance	405,327	1,462,792	1,326,790	541,329	53,659	594,988
Bioterrorism Grant	(6,217)	76,629	29,808	40,604	757	41,361
Building and Road Maintenance Program	358,976	855,008	800,000	413,984	11,408	425,392
Capital Improvement Reserve	910,920	364,393	54,064	1,221,249	132	1,221,381
Community Correction	77,432	628,841	514,905	191,368	15,781	207,149
County Attorney's Training	20,189	4,705	4,712	20,182	-	20,182
County Employee Benefit	1,085,606	2,530,108	2,812,853	802,861	369,142	1,172,003
Economic Development	161	122,577	118,000	4,738	-	4,738
E911 Services	102,569	194,396	67,209	229,756	3,214	232,970
Emergency Planning Grants	28,620	30,222	3,222	55,620	-	55,620
Finney County Fair Association	29,165	142,560	158,535	13,190	-	13,190
Free Fair and Fair Grounds	282,692	411,805	430,680	263,817	14,847	278,664
GIS	375,565	149,186	218,905	305,846	2,089	307,935
Health	888,587	1,314,449	1,123,291	1,079,745	35,876	1,115,621
Historical Museum	308	214,476	206,400	8,384	-	8,384
Jail Commissary and Telephone	173,993	132,441	99,318	207,116	5,509	212,625
Jail Grant	9,993	-	9,993	-	-	-
Juvenile Detention Center	80,548	1,351,288	1,325,193	106,643	43,439	150,082
Juvenile Detention Center Building	50,693	19	-	50,712	-	50,712
Juvenile Detention Center Grants	23,404	26,567	30,313	19,658	4,149	23,807
Library Maintenance	1,310	928,608	894,968	34,950	-	34,950
Mental Retardation	4,111	317,617	305,000	16,728	-	16,728
Noxious Weed	55,836	476,247	489,183	42,900	5,174	48,074
Noxious Weed Capital Outlay	117,028	-	24,166	92,862	-	92,862
Parks and Recreation	30,622	16,003	17,500	29,125	-	29,125
Register of Deeds' Technology	77,584	35,661	55,277	57,968	-	57,968
Road and Bridge	2,131,649	4,013,530	5,253,356	891,823	207,758	1,099,581
Special Alcohol and Drug	87	-	-	87	-	87
Special Highway Improvement	3,797,721	1,069,281	-	4,867,002	-	4,867,002
Special Road Machinery and Equipment	838,098	215,650	-	1,053,748	-	1,053,748
Sheriff's Crime Prevention	2,400	2,635	4,000	1,035	-	1,035
Sheriff's Special Account	684	-	200	484	-	484
Federal and State Forfeiture	100,102	42,525	17,125	125,502	252	125,754
State Drug Tax Assessment	11,438	4,788	12,342	3,884	836	4,720
Western Pyramid Public Health Region	(18,495)	79,118	51,539	9,084	1,945	11,029
Women, Infants and Children Grant	(25,844)	428,565	490,023	(87,302)	12,335	(74,967)
Youth Services	(208,029)	873,395	867,386	(202,020)	24,166	(177,854)
Total Special Revenue	11,826,665	18,937,665	18,225,300	12,539,030	813,458	13,352,488
Debt Service Fund						
Bond and Interest	369,339	115,913	100,181	385,071	-	385,071
Capital Projects Funds						
LEC/Courthouse Improvements	381,628	1,778,290	472,800	1,687,118	-	1,687,118
Enterprise Funds						
Landfill	814,275	147,989	44,760	917,504	23,691	941,195
Sewer District #1	186,996	89,379	65,277	211,098	4,338	215,436
Sewer District #2	105,468	76,288	65,930	115,826	459	116,285
Sewer District #3	53,984	87,174	83,687	57,471	15,347	72,818
Sewer District #3 Bond and Interest	(38,182)	51,614	47,050	(33,618)	-	(33,618)
Total Enterprise	1,122,541	452,444	306,704	1,268,281	43,835	1,312,116
Fiduciary - Nonexpendable Trust Funds						
CDBG Revolving Loan Fund	119,049	35,660	559	154,150	-	154,150

(continued)

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

Fund	Unencumbered Cash (Deficit) 01/01/11	Cash Receipts	Expenditures	Unencumbered Cash (Deficit) 12/31/11	Add Payables and Encumbrances	Treasurer's Cash (Deficit) 12/31/11
(continued)						
<u>Component Units</u>						
Finney County Extension Council	\$ 55,190	\$ 293,112	\$ 286,257	\$ 62,045	\$ -	\$ 62,045
Finney County Public Library:						
General	59,763	1,041,196	992,116	108,843	-	108,843
Capital Improvements	114,418	10,412	4,665	120,165	-	120,165
Total Component Units	<u>229,371</u>	<u>1,344,720</u>	<u>1,283,038</u>	<u>291,053</u>	<u>-</u>	<u>291,053</u>
 Total Reporting Entity (excluding Agency Funds) (memorandum only)	 <u>\$ 18,159,376</u>	 <u>\$ 35,274,763</u>	 <u>\$ 33,503,018</u>	 <u>\$ 19,931,121</u>	 <u>\$ 1,309,474</u>	 <u>\$ 21,240,595</u>
 <u>Composition of Cash</u>						
Demand deposits:						
Commerce Bank					\$ 37,860	
Western State Bank					428,257	
Plus deposits in transit					4,491	
Less outstanding checks					<u>(121,191)</u>	
Total demand and savings deposits						\$ 349,417
 Cash on hand						
Change funds						5,245
						345
 Time deposits:						
Commerce Bank					94,504	
Western State Bank					13,708,298	
First National Bank of Holcomb					103,746	
American State Bank					3,097,698	
Plus deposits in transit					269,581	
Less outstanding checks					<u>(339,745)</u>	
Total time deposits						16,934,082
 Certificates of deposit						
Kansas Municipal Investment Pool						39,859,537
						<u>18,379</u>
Total cash						57,167,005
Less Agency Funds per Schedule 3						(36,217,463)
Plus discrete component units						<u>291,053</u>
Total Treasurer's cash (excluding Agency Funds)						<u>\$ 21,240,595</u>

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Notes to
Financial Statements

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies

Finney County, Kansas, (the County) was established in 1887 and is an organized county having the powers, duties and privileges granted to counties by K.S.A. 19-101.

A. Financial reporting entity

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

The following organizations, functions or activities are blended component units. Although legally separate entities, they are in substance, part of the government's operations and so data from these units are combined with the data of the primary government. Each blended component unit has a December 31st year end.

The Finney County Fair Association operates the County's fair. The Board is appointed by the County Commissioners. The County Commissioners approve the Fair Association's budget and levy taxes for fairground operations. The fairground building, improvements and equipment are titled to the County. Bond issuances must be approved by the County. The Finney County Fair Association has been determined to be a "county free fair" created under K.S.A. 2-132. The Fair Association is presented in these financial statements as a special revenue fund. No separate financial statements have been issued for the Finney County Fair Association.

Sewer District #1, Sewer District #2 and Sewer District #3 operate the County's sewer districts. The Board of each district consists of the County Commissioners. The County Commissioners approve the sewer districts' budgets and levy taxes for operations. The sewer improvements and equipment are titled to the County. Bond issuances must be approved by the County. The sewer districts have been determined to be blended component units created under K.S.A. 19-27a01. Sewer District #1, Sewer District #2 and Sewer District #3 are presented in these financial statements as enterprise funds. No separate financial statements have been issued for Sewer District #1, Sewer District #2 or Sewer District #3.

Southwest Kansas Regional Juvenile Detention Center is a jointly governed organization between eighteen counties in southwest Kansas created under an interlocal agreement. Southwest Kansas Regional Juvenile Detention Center is governed by a board appointed by the participating parties. Southwest Kansas Regional Juvenile Detention Center was established to operate a juvenile correctional facility located in Garden City, Kansas. The primary source of funding for Southwest Kansas Regional Juvenile Detention Center is from the participating parties with additional support from grants. Finney County functions as the operator of Southwest Kansas Regional Juvenile Detention Center. Finney County has an equity interest and is a material contributor to the continued existence of Southwest Kansas Regional Juvenile Detention Center. Southwest Kansas Regional Juvenile Detention Center is presented in these financial statements as a special revenue fund. No separate financial statements have been issued for the Southwest Kansas Regional Juvenile Detention Center.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies (continued)

A. Financial reporting entity (continued)

The following organizations, functions or activities are discretely presented component units included in the County's statutory basis financial statements. These component units are reported separately to emphasize that they are legally separate from the County. The governing body of the Finney County Public Library is appointed by the County Commission, while the governing body of the Finney County Extension Council is elected. Each discretely presented component unit has a December 31st year end.

The Finney County Extension Council provides services in such areas as agriculture, home economics and 4-H clubs to all persons in the County. The Council is governed by an elected executive board. The County levies taxes for the support of the Council. The Council is presented as a governmental fund type. No separate financial statements have been issued for the Finney County Extension Council.

The Finney County Public Library operates the County's library and provides services for the residents of Finney County. It has its own Board of Directors, who operates independently from the County. The Board of Directors is responsible for the management and fiscal accountability of the Public Library. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve the Library's budget and levy taxes for library operations. The library building is titled to the Library Board and was financed with Finney County general obligation bonds retired in part by tax levy and in part by private donation. Bond issuances for the Library's benefit must be approved by the County. The Library is presented as a governmental fund type. No separate financial statements have been issued for the Finney County Public Library.

The respective administrative offices of the discretely presented component units are:

Finney County Extension Council
501 South 9th Street
Garden City, KS 67846

Finney County Public Library
605 East Walnut
Garden City, KS 67846

The following organizations are jointly governed organizations in which the County participates and are not included in the combined financial statements of the County's statutory basis financial statements:

Area Mental Health Center is a jointly governed organization between thirteen southwest Kansas counties created under K.S.A. 19-4001. Area Mental Health Center is governed by a twenty-eight member board appointed by the County Commissioners in Finney, Ford, Grant, Gray, Greeley, Hamilton, Hodgeman, Kearny, Lane, Morton, Scott, Stanton and Wichita counties in southwest Kansas. The purpose of Area Mental Health Center is to promote mental health wellness. This is accomplished by providing training, counseling and other services to those in need. A primary source of funding for Area Mental Health Center is ad valorem tax levies by the participating counties. Finney County contributed \$186,000 to the operations of Area Mental Health Center during the year ended December 31, 2011. Finney County has no equity interest nor does the County materially contribute to the continued existence of Area Mental Health Center. Area Mental Health Center has a December 31st year end.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies (continued)

A. Financial reporting entity (continued)

Garden City Information Technologies Cooperative is a jointly governed organization between the County of Finney, Kansas, the City of Garden City, Kansas, Unified School District No. 457, Garden City Community College and St. Catherine Hospital, created under K.S.A. 12-2901. Garden City Information Technologies Cooperative is governed by a board appointed by the participating parties. The purpose of Garden City Information Technologies Cooperative is to enhance the coordination and technology sharing among the members of the Cooperative, address the long term goals of the Cooperative that provide an enhanced community and regional telecommunications and integrated community network, and to seek out the opportunities that are identified by the Cooperative that provide services to local and regional interest and lead to the use of the Cooperative as a tool for economic development. This is accomplished by coordinating technology purchases and training, development of communication networks within Garden City and southwest Kansas, and providing videoconferencing, telecommuting and office access within the community. The primary source of funding for Garden City Information Technologies Cooperative is from the general funds of the participating parties and through procuring grants. Finney County, Kansas, contributed \$-0- to the operations of Garden City Information Technologies Cooperative during the year ended December 31, 2011. The County has no equity interest nor does the County materially contribute to the continued existence of Garden City Information Technologies Cooperative. Garden City Information Technologies Cooperative has a December 31st year end.

B. Measurement focus, basis of accounting and basis of presentation

These financial statements are presented on a statutory basis of accounting. The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure is recorded in the fund from which the transfer is made.

C. Waiver of financial reporting requirements

The County's Board of Commissioners has determined by resolution that financial statements prepared in conformity with accounting principles generally accepted in the United States of America are not relevant to the requirements of the cash basis and budget laws of the State of Kansas and are of no significant value to the Board, the County or the members of the general public of the County. The County approved the resolution which served as notice of the Board's election to waive the requirements for reporting of its financial data in conformity with accounting principles generally accepted in the United States of America, as provided and authorized by K.S.A. 75-1120a.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies (continued)

D. Departure from accounting principles generally accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense; liabilities such as deferred revenue and matured principal and interest payable; and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the County are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes and compensated absences are not presented in the financial statements.

E. Fund accounting

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

The following types of funds comprise the financial activities of the County:

Governmental funds include the following fund types:

General Fund - the General Fund is the County's primary operating fund. It accounts for all financial transactions of the general government, except those required to be accounted for in another fund.

Special Revenue Funds - the Special Revenue Funds account for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects).

Debt Service Fund - the Debt Service Fund accounts for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

Capital Project Funds - the Capital Project Funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Proprietary funds include the following fund types:

Enterprise Funds - Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business or where the County has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies (continued)

E. Fund accounting (continued)

Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the County under the terms of a formal trust agreement. Fiduciary funds include the following fund types:

Nonexpendable Trust Funds - the Nonexpendable Trust Funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The Nonexpendable Trust Funds account for assets of which the principal may not be spent.

Agency Funds - the Agency Funds are custodial in nature and do not present results of operation or have a measurement focus. Agency Funds are accounted for using the modified accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

F. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the County (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments in the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the general fund.

Investments are stated at cost, which approximates fair value. The aggregate value of the investments at December 31, 2011, is \$18,379.

G. Property taxes and special assessments

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st 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 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed by June 5th.

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the County. Special assessments received prior to or after the issuance of general obligation bonds are recorded as revenue in the appropriate project fund. Further, state statutes require levying additional general ad valorem property taxes in the Debt Service Fund to finance delinquent special assessments receivable.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies (continued)

G. Property taxes and special assessments (continued)

Special assessments are levied over a ten or fifteen year period and annual installments are due and payable with annual ad valorem property taxes. The County may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. At December 31, 2011, the special assessment taxes levied are a lien on the property.

H. Compensated absences

The County's policy regarding vacation leave pay permits employees to earn vacation leave days at a maximum rate of 24 days per year; employees can carryover a maximum of 24 days to the following year. Upon resignation or retirement, employees are entitled to payment for all accrued vacation earned provided they give their department head and the County Commission two weeks written notice. If an employee fails to give the two weeks written notice, no accrued vacation earned is paid unless a waiver is agreed to by the department head and the County Commissioners. Upon termination, payment is made to an employee for the accrued vacation leave. Vacation leave pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation leave pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are not reported as expenditures. The County estimated the value of accrued vacation leave pay at December 31, 2011, to be \$636,540.

The County's policy regarding sick leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year up to 120 days. The County's policy is to recognize the costs of sick leave when actually paid since employees are not reimbursed for unused sick leave when they leave the County's employ.

The Extension Council's policy regarding vacation leave pay permits employees to earn vacation leave days at a maximum rate of 22 days per year; employees can carryover a maximum of 38 days to the following year. Upon resignation or retirement, employees are entitled to payment for a maximum of 22 days accrued vacation earned. The Extension Council, a discretely presented component unit, estimated the value of accrued vacation leave pay at December 31, 2011, to be \$19,646.

I. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as revenues or expenses if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as cash receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

1. Summary of significant accounting policies (continued)

J. Reimbursements

A reimbursement is an expenditure or expense initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the County records an expenditure (or expense) in the reimbursing fund, and a reduction of expenditure (or expense) in the reimbursed fund, following the authoritative guidance of the *Governmental Accounting, Auditing and Financial Reporting*.

K. Memorandum totals

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor is all required disclosures presented for these amounts.

2. Stewardship, compliance and accountability

A. Budgetary information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2011.

The legal level of budgetary control is the fund level. The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of adopted budget of expenditures of individual funds. The governing body allows management to transfer budgeted amounts between line items within an individual fund without prior approval.

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

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

2. Stewardship, compliance and accountability (continued)

A. Budgetary information (continued)

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

- Bioterrorism Grant
- Capital Improvement Reserve
- Community Correction
- County Attorney's Training
- Drainage District #1 CDBG Grant
- Emergency Planning Grant
- Finney County Fair Association
- Jail Commissary and Telephone
- Jail Grant
- Juvenile Detention Center Grants
- Register of Deeds' Technology
- Special Alcohol and Drug
- Special Highway Improvement
- Special Road Machinery and Equipment
- Sheriff's Crime Prevention
- Sheriff's Special Account
- Federal and State Forfeiture
- State Drug Tax Assessment
- Western Pyramid Public Health Region
- Women, Infants & Children Grant
- Youth Services

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

B. Compliance with Kansas statutes

References made herein to the statutes are not intended as interpretation of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and the legal representative of the County. No material violations of Kansas statutes were noted, however, the following immaterial violations occurred:

- Kansas statute 32-984 requires the County Clerk to remit game license fees collected daily to the County Treasurer. Kansas statute 79-3104 requires the Register of Deeds to remit mortgage registration fees collected daily to the County Treasurer. The County Clerk remits fees collected to the County Treasurer on a quarterly basis, and the Register of Deeds remits fees collected to the County Treasurer on a monthly basis.
- Kansas statutes 10-1113 and 10-1121 require no indebtedness be created in excess of available monies in any fund. At December 31, 2011, four funds/accounts had deficit unencumbered cash balances as explained in Note 2C.
- Kansas statute 28-175 requires the Sheriff to remit fees collected on the first and fifteenth days of each month to the County Treasurer. The Sheriff has been remitting some, but not all, fees collected to the County Treasurer.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

2. Stewardship, compliance and accountability (continued)

C. Deficit unencumbered cash

The following funds had deficit unencumbered cash balances as of December 31, 2011:

Women, Infants and Children Grant	\$	74,967
Youth Services		177,854
Sewer District #2 Bond and Interest		33,618
Payroll Account		46,029

Grant funds and other reimbursements were due to the County at year end to cover the deficits in the Women, Infants and Children Grant; and Youth Services funds; and the Payroll Account. Special assessments, adequate to cover the deficit, are due to the Sewer District #3 Bond and Interest fund.

3. Detailed notes on all funds

A. Deposits and investments

A reconciliation of cash and investments as shown in the composition of cash on the summary Statement 1 is as follows:

Cash on hand	\$	5,590
Carrying amount of deposits		57,143,036
Carrying amount of investments		18,379
Total cash and investments		\$ 57,167,005

As of December 31, 2011, the County had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)		Rating
		Less than 1	1-2	
Kansas Municipal Investment Pool	\$ 18,379	\$ 18,379	\$ -	S&P AAAf/S+
Total fair value	\$ 18,379	\$ 18,379	\$ -	

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

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has no investment policy that would further limit its investment choices. The rating of the County's investments is noted above.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Concentration of credit risk

State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The County's allocation of investments as of December 31, 2011, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100.00%

Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The County does not use designated "peak periods".

At December 31, 2011, the County's carrying amount of deposits was \$57,143,036 and the bank balance was \$57,328,900. Of the bank balance, 99.82% was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$5,326,049 was covered by federal depository insurance and \$52,002,851 was collateralized with securities held by the pledging financial institutions' agents in the County's name. The County's cash deposits by financial institution and category of coverage at year end are as follows:

	Commerce Bank	Western State Bank	First National Bank of Holcomb	American State Bank	First National Bank
Bank balance covered by:					
FDIC coverage	\$ 287,060	\$ 677,257	\$ 103,746	\$ 250,000	\$ 4,007,986
Pledged securities at market value	35,696,855	13,458,298	-	2,847,698	-
Total bank balance	\$ 35,983,915	\$ 14,135,555	\$ 103,746	\$ 3,097,698	\$ 4,007,986

The carrying amount of deposits for the Finney County Extension Council, a discretely presented component unit, was \$62,045 and the bank balance was \$76,003. The bank balance was held by two banks resulting in a concentration of credit risk. All of the bank balance was covered by federal depository insurance.

The carrying amount of deposits for the Finney County Public Library, a discretely presented component unit, was \$229,008 and the bank balance was \$229,133. The bank balance was held by two banks resulting in a concentration of credit risk. All of the bank balance was covered by federal depository insurance.

Credit risk - investments

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

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

At December 31, 2011, the County had invested \$18,379 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 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.

B. Interfund transfers

Interfund operating transfers were as follows:

From	To	Statutory Authority	
General	Capital Improvement Reserve	19-120	\$ 224,093
General	Employee Benefit	79-1946	100,000
General	GIS	79-1946	80,000
General	Juvenile Detention Center	79-1946	447,000
Building and Road Maintenance Program	Capital Improvement Reserve	68-590	140,300
Free Fair and Fair Grounds	Finney County Fair Association	2-132	53,000
Road and Bridge	Special Highway	68-590	1,003,383
Road and Bridge	Special Road Machinery and Equipment	68-141g	200,000
Sewer District #2	Bond and Interest	19-27a07	42,200
Total			<u>\$ 2,289,976</u>

Interfund operating transfers of the Finney County Public Library, a discretely presented component unit, were as follows:

From	To	Statutory Authority	
General	Capital Improvement	12-1258	\$ 5,806
Total			<u>\$ 5,806</u>

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

3. Detailed notes on all funds (continued)

C. Capital projects

Capital project authorizations with approved change orders compared to disbursements and accounts payable from inceptions to December 31, 2011, for the County are as follows:

Project	Project Authorization	Disbursements and Accounts Payable to Date	Committed
2010 road projects	\$ 698,618	\$ 685,733	\$ -
Computer upgrades	128,452	126,378	-
K156/Mary Street/Jennie Barker Road project	84,000	120,172	-

D. Long-term debt

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

	Date of Issue	Maximum Rate	Amount of Issue	Date of Final Maturity	Balance 01/01/11	Additions	Reductions/ Payments	Net Change	Balance 12/31/11	Interest Paid
General obligation bonds payable:										
Sewer Improvement - Series B 1996	04/01/98	5.40%	\$ 406,850	09/01/11	\$ 30,000	\$ -	\$ 30,000		\$ -	\$ 1,620
Road Improvement - Series C 1996	04/01/96	5.40%	417,825	09/01/11	25,000	-	25,000		-	1,350
Total general obligation bonds payable					55,000	-	55,000		-	2,970
Limited obligation bonds payable:										
Sales Tax Refunding, Series 2006	06/01/06	4.00%	6,590,000	12/01/17	5,820,000	-	240,000		5,580,000	232,800
Revenue bonds payable:										
Sewer Improvement - Series A 1996	04/01/96	5.75%	405,000	09/01/11	40,000	-	40,000		-	2,200
Sewer Improvement - Series 2002	06/03/02	4.75%	848,500	06/01/12	780,000	-	10,000		770,000	37,050
Total revenue bonds payable					820,000	-	50,000		770,000	39,250
Kansas Department of Transportation payable:										
Rail service improvement loan	01/07/11	2.00%	1,000,000	05/05/21	-	1,000,000	60,630		939,370	12,980
Capital leases payable:										
Emergency radio communications system	12/31/08	3.62%	1,380,000	01/01/16	1,210,034	-	202,487		1,007,547	42,335
Volvo motor grader	05/11/09	4.00%	189,000	05/11/16	180,621	-	11,192		149,429	6,425
Volvo motor grader	05/11/09	4.00%	189,000	05/11/16	160,621	-	11,192		149,429	6,425
KRONOS system upgrade	04/26/10	8.11%	181,618	07/01/14	164,210	-	41,151		123,059	11,809
Coper - Fair Board	03/15/11	7.36%	8,721	02/15/15	-	8,721	2,088		6,633	404
Total capital leases payable					1,695,486	8,721	268,110		1,436,097	67,398
Total bonded indebtedness					8,390,486	1,008,721	673,740		8,725,467	\$ 355,398
Employee compensated absences payable:										
Accrued vacation, net change					655,758			\$ (19,218)	636,540	
Total long-term debt					\$ 9,046,244	\$ 1,008,721	\$ 673,740	\$ (19,218)	\$ 9,362,007	

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

	Year											Total
	2012	2013	2014	2015	2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041	2042	
Principal:												
Limited obligation bonds payable	\$ 270,000	\$ 1,105,000	\$ 1,150,000	\$ 1,195,000	\$ 1,250,000	\$ 610,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,580,000
Revenue bonds payable	10,000	10,000	10,000	15,000	15,000	75,000	100,000	130,000	160,000	200,000	45,000	770,000
Kansas Department of Transportation payable	84,697	94,183	96,084	98,023	100,002	466,381	-	-	-	-	-	939,370
Capital leases payable	279,569	292,121	282,954	261,235	320,218	-	-	-	-	-	-	1,436,097
Total principal	644,266	1,501,304	1,539,038	1,569,258	1,685,220	1,151,381	100,000	130,000	160,000	200,000	45,000	8,725,467
Interest:												
Limited obligation bonds payable	\$ 223,200	\$ 212,400	\$ 168,200	\$ 122,200	\$ 74,400	\$ 24,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 824,800
Revenue bonds payable	36,375	36,100	35,625	35,150	34,438	161,500	141,312	115,187	81,700	40,138	2,138	719,863
Kansas Department of Transportation payable	16,519	16,233	14,332	12,393	10,414	21,291	-	-	-	-	-	91,182
Capital leases payable	55,607	43,056	30,156	19,874	10,194	-	-	-	-	-	-	158,887
Total interest	331,901	307,789	248,313	169,617	129,446	207,191	141,312	115,187	81,700	40,138	2,138	1,794,732
Total principal and interest	\$ 976,167	\$ 1,809,093	\$ 1,787,351	\$ 1,758,875	\$ 1,814,666	\$ 1,358,572	\$ 241,312	\$ 245,187	\$ 241,700	\$ 240,138	\$ 47,138	\$ 10,520,199

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

3. Detailed notes on all funds (continued)

D. Long-term debt (continued)

During the year ended December 31, 2011, the County entered into an interlocal agreement with the City of Garden City for the repayment of the \$1,000,000 promissory note with the Secretary of Transportation of the State of Kansas, to be used to facilitate the construction of a railroad spur and provide for economic development. The interlocal agreement provides the City will provide Finney County with one-half of the annual loan payment amount with the County being responsible for the disbursement of the repayment proceeds to the Secretary of Transportation. Subsequent to year end, the County sold the land and related railroad spur with the intent of paying off the promissory note during 2012.

Legal debt margin

The debt limit per K.S.A. 10-306 is three percent of the assessed tangible valuation adjusted for exempt farm property, business aircraft and motor vehicles given by the County Assessor to the County Clerk on August 25th each year. Per K.S.A. 10-307, certain bond issues are not subject to the bonded indebtedness limitation; these include the refunding bonds and the limited obligation bonds issued for the purpose of financing the construction and remodeling of the courthouse, jail and law enforcement center, to be paid from sales tax proceeds. The amount of debt outstanding does not exceed the statutory limit.

Conduit debt obligations

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2011, there were three series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$1,718,290.

4. Other information

A. Risk management and self-insurance

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

The County has partially self-funded employees' health care costs. "Stop loss" coverage is maintained for claims above \$4,148,117 at December 31, 2011. Payments for medical insurance premiums and self-insured medical costs not covered by the insurance carrier are paid out of the Employee Benefit Fund as they are billed to the County.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

4. Other information (continued)

A. Risk management and self-insurance (continued)

The claims liability reported in the fund at December 31, 2011, is based on the requirements of Governmental Accounting Standards Board Statements No. 10 and No. 30, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Claims liability and expenses include all specific, incremental claim adjustment expenses. Additionally, estimated amounts of salvage, subrogation and reinsurance recoverable on unpaid claims are deducted from any liability for unpaid claims. Changes in the fund's claims liability amount in fiscal year 2010 and 2011 were:

	Health Insurance	
	12/31/2010	12/31/2011
Beginning of fiscal year liability	\$ 295,040	\$ 344,035
Current year claims and change in estimates	2,729,000	3,877,739
Claim payments	(2,680,005)	(3,852,632)
Balance at fiscal year end	\$ 344,035	\$ 369,142

B. Commitments and contingencies

Commitments

The County entered into a five year contract expiring August 31, 2005, with automatic extension for five year periods, with the City of Garden City. Under the terms of the contract, the City provides reimbursement funding for use of a portion of the Finney County Law Enforcement Center which the City uses for the operation and administration of the Garden City Police Department and municipal court.

Litigation

The County is named as a party in various lawsuits. Most of these lawsuits are in the discovery stages and the effect, if any, on the County is not determinable at this time; in the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the County.

Grant audits

The County participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors, their representatives and/or the Single Audit Act requirements. As of December 31, 2011, there were no material questioned or disallowed costs as a result of grant audits completed or in process.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

4. Other information (continued)

B. Commitments and contingencies (continued)

Operating leases

The County has entered into operating lease agreements for the use of facilities, equipment and a vehicle. Lease payments under these agreements totaled \$87,261 for the year ended December 31, 2011. Future minimum lease payments are as follows:

2012	\$	43,311
2013		28,173
2014		17,361
2015		<u>103,165</u>
Total minimum lease payments	\$	<u>192,010</u>

Contracts - Finney County Public Library

On December 18, 2006, the Library Board of Trustees entered into a contract with Library Systems & Services, LLC for the management and operation of the Finney County Public Library. The contract was effective for the period January 1, 2007, through December 31, 2011. The fees under this contract for 2011 are \$960,627, with the remaining fees to be renegotiated annually. The fees negotiated for 2012 are \$960,627.

C. Municipal solid waste landfill

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs are paid only near or after the date that the landfill stops accepting waste, the County has reported a portion of these closure and post-closure care costs as an operating expense in previous periods based on landfill capacity used as of each fiscal year end. The County has no landfill closure and post-closure care liability at December 31, 2011. The County completed transfer and sale of the landfill in 2000, and its permit was absorbed by Browning-Ferris Industries of Western Kansas, Inc.

D. Post-employment health care benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the County under this program.

FINNEY COUNTY, KANSAS
Notes to Financial Statements
December 31, 2011

4. Other information (continued)

E. Defined benefit pension plan

Plan description: Finney County, Kansas, contributes to the Kansas Public Employees Retirement System ("KPERs"), a cost sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S Kansas, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding policy: K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at a maximum of 6% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERs is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERs employers. The employer rate established by statute for calendar year 2011 is 7.74%. Finney County, Kansas, contributions to KPERs for the years ending December 31, 2011, 2010, and 2009, were \$955,048, \$889,422, and \$783,231, respectively, equal to the required contributions for each year as set forth by the legislature.

Employees of the Finney County Extension Council, a discretely presented component unit, also contribute to the Kansas Public Employees Retirement System. All contribution requirements were met by the component unit and its employees.

F. Deferred compensation plan

The County offers its employees deferred compensation plans formed in accordance with Internal Revenue Code (IRC) Section 457. The plans, available to all County employees, permit employees to defer a portion of their salary until future years. The deferred compensation assets, which are transferred to a third-party custodial trust, are not available to employees until termination, retirement, death or unforeseeable emergency. The deferred compensation account is not included in the Trust and Agency Funds of the County since the plans have complied with changes required by IRC Section 457 holding all assets in trust for the exclusive benefit of the participants and their beneficiaries.

G. Related party transactions

Various departments and funds within the County provide goods and services to other operating departments. Charges for these services are billed in the same manner such services would be billed to the general public and are handled as arm's length transactions in the normal course of business.

H. Subsequent events

Subsequent to December 31, 2011, the County accepted bids for 2012 road projects in the amount of \$774,854 and for an equipment purchase of \$308,880.

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Supplemental Information

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FINNEY COUNTY, KANSAS
 Summary of Expenditures - Actual and Budget
 (Budgeted Funds Only)
 For the Year Ended December 31, 2011

	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
<u>General Fund</u>					
General	\$ 14,226,361	\$ -	\$ 14,226,361	\$ 13,114,436	\$ (1,111,925)
<u>Special Revenue Funds</u>					
Aging	390,646	-	390,646	390,000	(646)
Alcohol Programs	42,416	-	42,416	19,044	(23,372)
Ambulance	1,332,625	-	1,332,625	1,326,790	(5,835)
Building and Road Maintenance Program	800,000	-	800,000	800,000	-
County Employee Benefit	3,191,929	-	3,191,929	2,812,853	(379,076)
Economic Development	118,098	-	118,098	118,000	(98)
E911 Services	285,134	-	285,134	67,209	(217,925)
Free Fair and Fair Grounds	478,144	-	478,144	430,680	(47,464)
GIS	238,805	-	238,805	218,905	(19,900)
Health	1,268,601	-	1,268,601	1,123,291	(145,310)
Historical Museum	206,571	-	206,571	206,400	(171)
Juvenile Detention Center	1,381,817	-	1,381,817	1,325,193	(56,624)
Juvenile Detention Center Building	50,642	-	50,642	-	(50,642)
Library Maintenance	895,710	-	895,710	894,968	(742)
Mental Retardation	305,253	-	305,253	305,000	(253)
Noxious Weed	670,494	-	670,494	489,183	(181,311)
Noxious Weed Capital Outlay	112,028	-	112,028	24,166	(87,862)
Parks and Recreation	52,512	-	52,512	17,500	(35,012)
Road and Bridge	5,412,457	-	5,412,457	5,253,356	(159,101)
<u>Debt Service Fund</u>					
Bond and Interest	1,864,423	-	1,864,423	100,181	(1,764,242)
<u>Enterprise Funds</u>					
Landfill	570,000	-	570,000	44,760	(525,240)
Sewer District #1	218,346	-	218,346	65,277	(153,069)
Sewer District #2	102,970	-	102,970	65,930	(37,040)
Sewer District #3	128,319	-	128,319	83,687	(44,632)
Sewer District #3 Bond and Interest	47,050	-	47,050	47,050	-
<u>Fiduciary - Nonexpendable Trust Funds</u>					
CDBG Revolving Loan Fund	128,828	-	128,828	559	(128,269)

General Fund

Fund Description

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

The General Fund functions are reported in three categories as follows:

General Government

- *General and Administrative
- *County Commission
- *County Administrator
- *County Treasurer
- *County Clerk
- *Register of Deeds
- *Computer Support Services
- *County Appraiser
- *Building Maintenance
- *Agricultural Extension
- *Soil Conservation
- *Animal shelter
- *Library
- *Weather Modification
- *Economic development

Public Safety

- *County Attorney
- *Sheriff
- *Status Offenders Diversion
- *District Court
- *25th Judicial District
- *CASA
- *Radio lease

Health and Sanitation

- *Ambulance
- *Mental Health

FINNEY COUNTY, KANSAS
 General Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes	\$ 11,238,439	\$ 11,096,069	\$ 10,854,563	\$ 241,506
Intergovernmental revenue	258,276	279,911	169,490	110,421
Licenses and fees	808,213	741,158	540,000	201,158
Use of money and property	62,839	60,391	80,000	(19,609)
Other	504,687	432,542	146,800	285,742
Total cash receipts	<u>12,872,454</u>	<u>12,610,071</u>	<u>\$ 11,790,853</u>	<u>\$ 819,218</u>
Expenditures:				
General government	4,445,846	4,263,345	\$ 5,348,248	\$ (1,084,903)
Public safety	7,921,330	7,813,998	7,868,433	(54,435)
Health and sanitation	205,000	186,000	398,275	(212,275)
Transfers out	1,096,825	851,093	611,405	239,688
Total expenditures	<u>13,669,001</u>	<u>13,114,436</u>	<u>\$ 14,226,361</u>	<u>\$ (1,111,925)</u>
Receipts under expenditures	(796,547)	(504,365)		
Unencumbered cash, beginning of year	<u>4,907,330</u>	<u>4,110,783</u>		
Unencumbered cash, end of year	<u>\$ 4,110,783</u>	<u>\$ 3,606,418</u>		

Special Revenue Funds

Fund Descriptions

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The Special Revenue Funds used by Finney County, Kansas, are:

Aging:

This fund was created to provide funding to support services for senior citizens. These funds are administered by the Finney County Senior Citizen Center.

Alcohol Programs:

This fund is used to account for monies received from state alcohol tax funds which are used to support programs to fight alcohol abuse. The supported programs are recommended by the Alcohol Fund Advisory Committee.

Ambulance:

This fund is used to account for monies used for the operation of the Finney County EMS.

Bioterrorism Grant:

This fund is used to account for grant monies to be used for bioterrorism prevention in the County.

Building and Road Maintenance Program:

This fund is used to account for sales tax monies to provide funding for building and road maintenance and equipment purchases within the County.

Capital Improvement Reserve:

This fund is used to account for monies transferred from other funds of the County to finance future capital improvements for the County.

Community Correction:

This fund is used to account for monies received as grants from federal and state sources to operate a program of the Kansas Department of Corrections which assists in managing the population in the State's prisons.

County Attorney's Training:

This fund is used to account for fees received by the Clerk of the Court from certain cases. The funds are to be used exclusively for the training of personnel in the County Attorney's office and costs related thereto.

County Employee Benefit:

This fund is used to account for monies levied to fund the County's self-funded health insurance program and other employee benefits.

Economic Development:

This fund is used to account for funds expended to promote expansion of the County's economic base, including funding for the Finney County Economic Development Corporation and other projects and programs related to economic development.

Special Revenue Funds

E911 Services:

This fund is used to account for the activities of the County's E911 emergency communications system funded by a special telephone use tax on each access line in Finney County.

Emergency Planning Grants:

This fund is used to account for grant monies to be used for hazardous materials emergency planning projects.

Finney County Fair Association:

This fund is used to account for monies used to operate the County's annual free fair.

Free Fair and Fair Grounds:

This fund is used to account for funds provided to the Finney County Fair Association to operate the annual Finney County Fair and for monies used to operate the fair grounds.

GIS:

This fund is used to account for monies used for computer mapping under the Geographical Information Systems.

Health:

This fund is used to account for monies used to operate the Finney County Health Department, including operation of the general clinic and providing matching funds for health grants.

Historical Museum:

This fund is used to provide monies to support the Finney County Historical Society and its operation and maintenance of the Finney County Museum.

Jail Commissary and Telephone:

This fund is used to account for funds received through the jail pay telephone and commissary sales which in turn fund the provision of the jail inmates' commissary.

Jail Grant:

This fund is used to account for grant monies to be used to assist the criminal aliens at the Finney County Law Enforcement Center.

Juvenile Detention Center:

This fund is used to account for monies which provide for the operation of the Southwest Kansas Regional Juvenile Detention Center, which is managed by Finney County to serve the eighteen counties in southwest Kansas.

Juvenile Detention Center Building:

This fund is used to account for monies to be used for building maintenance at the Southwest Kansas Regional Juvenile Detention Center.

Special Revenue Funds

Juvenile Detention Center Grants:

This fund is used to account for grant monies to be used to develop programs at the Southwest Kansas Regional Juvenile Detention Center.

Library Maintenance:

This fund is used to account for monies to fund the operating budget for the Finney County Public Library.

Mental Retardation:

This fund is used to account for monies used by Finney County to contract for mental retardation services provided by Southwest Developmental Services, Inc.

Noxious Weed:

This fund is used to account for monies which are used to pay for salaries and purchase equipment and chemicals used to eradicate noxious weeds in Finney County.

Noxious Weed Capital Outlay:

This fund is used to account for monies transferred in from the Noxious Weed fund which will be used for capital outlay purchases to support the Noxious Weed Department.

Parks and Recreation:

This fund is used to account for monies generated by state alcohol tax funds which the County uses to support recreational programs in Finney County.

Register of Deeds' Technology:

This fund is used to account for monies used to acquire equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of data recorded or stored in the office of the Register of Deeds.

Road and Bridge:

This fund is used to account for monies which finance operation of the Finney County Road and Bridge Department, which develops and maintains the County's public road system.

Special Alcohol and Drug:

This fund is used to account for monies which are used to fund programs specifically designed to address social problems associated with alcohol or drug abuse.

Special Highway Improvement:

This fund is used to account for monies received from the state and federal governments which are used to improve secondary roads in Finney County.

Special Road Machinery and Equipment:

This fund is used to account for monies transferred from the Road and Bridge fund to finance the Road and Bridge Department's capital equipment purchasing plan.

Sheriff's Crime Prevention:

This fund is used to account for donations from individuals to be used towards the Special Olympics program, purchase of awareness materials, and sponsorship of the BMX program.

Special Revenue Funds

Sheriff's Special Account:

This fund is used to account for monies used in investigations by the Sheriff's department.

Federal and State Forfeiture:

This fund is used to account for monies from DEA forfeitures which are to be expended for drug control type expenditures.

State Drug Tax Assessment:

This fund is used to account for monies from drug control assessments.

Western Pyramid Public Health Region:

This fund is used to account for monies received as grants from federal and state sources to operate a program of the Western Pyramid Public Health Region which assists to address commonly perceived emergency preparedness and communicable disease problems within an eight county region.

Women, Infants and Children Grant:

This fund is used to account for grant monies for the Women, Infants and Children program in the County.

Youth Services:

This fund is used to account for monies which provide for youth services in Finney County.

Note: The County budgets all special revenue funds except for Bioterrorism Grant; Capital Improvement Reserve; Child in Need of Care Grant; Community Correction; County Attorney's Training; Emergency Planning Grants; Finney County Fair Association; Jail Commissary and Telephone; Jail Grants; Juvenile Detention Center Grants; Register of Deeds' Technology; Special Alcohol and Drug; Special Highway Improvement; Special Road Machinery and Equipment; Sheriff's Crime Prevention; Sheriff's Special Account; Federal and State Forfeiture; State Drug Tax Assessment; Western Pyramid Public Health Region; Women, Infants and Children Grant; and Youth Services funds.

FINNEY COUNTY, KANSAS
Aging Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 345,947	\$ 367,643	\$ 373,883	\$ (6,240)
Motor vehicle	30,608	26,123	25,318	805
Delinquent property	7,587	8,497	-	8,497
Motor vehicle excise tax	346	326	764	(438)
Recreational vehicle tax	458	330	370	(40)
In lieu of	3,002	2,658	2,631	27
Total cash receipts	<u>387,948</u>	<u>405,577</u>	<u>\$ 402,966</u>	<u>\$ 2,611</u>
Expenditures:				
Other public service:				
Committee on Aging	387,330	390,000	\$ 390,323	\$ (323)
Neighborhood Revitalization Rebate	-	-	323	(323)
Total expenditures	<u>387,330</u>	<u>390,000</u>	<u>\$ 390,646</u>	<u>\$ (646)</u>
Receipts over expenditures	618	15,577		
Unencumbered cash, beginning of year	-	618		
Unencumbered cash, end of year	<u>\$ 618</u>	<u>\$ 16,195</u>		

FINNEY COUNTY, KANSAS
 Alcohol Programs Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Intergovernmental revenue	\$ 20,275	\$ 16,003	\$ 19,490	\$ (3,487)
Total cash receipts	<u>20,275</u>	<u>16,003</u>	<u>\$ 19,490</u>	<u>\$ (3,487)</u>
Expenditures:				
Health and sanitation:				
Contractual	17,812	19,044	\$ 42,416	\$ (23,372)
Total expenditures	<u>17,812</u>	<u>19,044</u>	<u>\$ 42,416</u>	<u>\$ (23,372)</u>
Receipts over (under) expenditures	2,463	(3,041)		
Unencumbered cash, beginning of year	<u>8,751</u>	<u>11,214</u>		
Unencumbered cash, end of year	<u>\$ 11,214</u>	<u>\$ 8,173</u>		

FINNEY COUNTY, KANSAS
 Ambulance Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 905,158	\$ 888,662	\$ 903,989	\$ (15,327)
Motor vehicle	76,352	68,948	66,247	2,701
Delinquent property	18,063	20,384	-	20,384
Motor vehicle excise tax	934	852	2,000	(1,148)
Recreational vehicle tax	1,163	873	969	(96)
In lieu of	7,851	6,440	6,885	(445)
Licenses and fees	392,824	476,463	300,000	176,463
Other	7,094	170	-	170
Total cash receipts	<u>1,409,439</u>	<u>1,462,792</u>	<u>\$ 1,280,090</u>	<u>\$ 182,702</u>
Expenditures:				
Public safety:				
Personnel services	1,147,056	1,120,350	\$ 1,126,344	\$ (5,994)
Contractual services	95,029	99,562	125,000	(25,438)
Commodities	65,797	67,676	80,500	(12,824)
Capital outlay	18,599	39,202	-	39,202
Neighborhood Revitalization Rebate	-	-	781	(781)
Total public safety	<u>1,326,481</u>	<u>1,326,790</u>	<u>1,332,625</u>	<u>(5,835)</u>
Transfers out:				
Capital Improvement Reserve	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,331,481</u>	<u>1,326,790</u>	<u>\$ 1,332,625</u>	<u>\$ (5,835)</u>
Receipts over expenditures	77,958	136,002		
Unencumbered cash, beginning of year	<u>327,369</u>	<u>405,327</u>		
Unencumbered cash, end of year	<u>\$ 405,327</u>	<u>\$ 541,329</u>		

FINNEY COUNTY, KANSAS
 Bioterrorism Grant Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	<u>\$ 7,635</u>	<u>\$ 76,629</u>
Total cash receipts	<u>7,635</u>	<u>76,629</u>
Expenditures:		
Public safety:		
Contractual services	9,945	9,836
Commodities	<u>21,290</u>	<u>19,972</u>
Total expenditures	<u>31,235</u>	<u>29,808</u>
Receipts over (under) expenditures	(23,600)	46,821
Unencumbered cash (deficit), beginning of year	<u>17,383</u>	<u>(6,217)</u>
Unencumbered cash (deficit), end of year	<u>\$ (6,217)</u>	<u>\$ 40,604</u>

FINNEY COUNTY, KANSAS
 Building and Road Maintenance Program Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Local sales	\$ 850,034	\$ 855,008	\$ 800,000	\$ 55,008
Total cash receipts	<u>850,034</u>	<u>855,008</u>	<u>\$ 800,000</u>	<u>\$ 55,008</u>
Expenditures:				
General government:				
Capital outlay	73,058	659,700	\$ 800,000	\$ (140,300)
Transfers out:				
Capital Improvement Reserve	-	140,300	-	140,300
Special Highway	<u>418,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>491,058</u>	<u>800,000</u>	<u>\$ 800,000</u>	<u>\$ -</u>
Receipts over expenditures	358,976	55,008		
Unencumbered cash, beginning of year	<u>-</u>	<u>358,976</u>		
Unencumbered cash, end of year	<u>\$ 358,976</u>	<u>\$ 413,984</u>		

FINNEY COUNTY, KANSAS
 Capital Improvement Reserve Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Transfers in:		
General	\$ 567,500	\$ 224,093
Ambulance	5,000	-
Building and Road Maintenance Program	-	140,300
Free Fair and Fair Grounds	15,634	-
Health	6,000	-
Total cash receipts	<u>594,134</u>	<u>364,393</u>
Expenditures:		
General government:		
Capital outlay	<u>127,488</u>	<u>54,064</u>
Total expenditures	<u>127,488</u>	<u>54,064</u>
Receipts over expenditures	466,646	310,329
Unencumbered cash, beginning of year	<u>444,274</u>	<u>910,920</u>
Unencumbered cash, end of year	<u>\$ 910,920</u>	<u>\$ 1,221,249</u>

FINNEY COUNTY, KANSAS
 Community Correction Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ 459,708	\$ 453,851
Reimbursements and restitution	<u>134,374</u>	<u>174,990</u>
Total cash receipts	<u>594,082</u>	<u>628,841</u>
Expenditures:		
Public safety:		
Personnel services	473,445	461,812
Contractual services	43,586	41,645
Commodities	17,200	11,448
Capital outlay	<u>3,753</u>	<u>-</u>
Total expenditures	<u>537,984</u>	<u>514,905</u>
Receipts over expenditures	56,098	113,936
Unencumbered cash, beginning of year	<u>21,334</u>	<u>77,432</u>
Unencumbered cash, end of year	<u><u>\$ 77,432</u></u>	<u><u>\$ 191,368</u></u>

FINNEY COUNTY, KANSAS
 County Attorney's Training Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Licenses and fees	\$ 5,278	\$ 4,705
Total cash receipts	<u>5,278</u>	<u>4,705</u>
Expenditures:		
Public safety:		
Contractual services	2,639	2,162
Commodities	<u>2,641</u>	<u>2,550</u>
Total expenditures	<u>5,280</u>	<u>4,712</u>
Receipts under expenditures	(2)	(7)
Unencumbered cash, beginning of year	<u>20,191</u>	<u>20,189</u>
Unencumbered cash, end of year	<u>\$ 20,189</u>	<u>\$ 20,182</u>

FINNEY COUNTY, KANSAS
 County Employee Benefit Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 2,340,985	\$ 2,193,113	\$ 2,231,302	\$ (38,189)
Motor vehicle	172,936	158,692	171,289	(12,597)
Delinquent property	51,196	58,122	-	58,122
Motor vehicle excise tax	1,506	2,202	5,170	(2,968)
Recreational vehicle tax	2,451	2,051	2,505	(454)
In lieu of	20,332	15,833	17,803	(1,970)
Other	-	95	-	95
Transfers in:				
General	-	100,000	-	100,000
Total cash receipts	<u>2,589,406</u>	<u>2,530,108</u>	<u>\$ 2,428,069</u>	<u>\$ 102,039</u>
Expenditures:				
General government:				
Health insurance	2,732,142	2,812,853	\$ 3,190,000	\$ (377,147)
Neighborhood Revitalization Rebate	-	-	1,929	(1,929)
Total expenditures	<u>2,732,142</u>	<u>2,812,853</u>	<u>\$ 3,191,929</u>	<u>\$ (379,076)</u>
Receipts under expenditures	(142,736)	(282,745)		
Unencumbered cash, beginning of year	<u>1,228,342</u>	<u>1,085,606</u>		
Unencumbered cash, end of year	<u>\$ 1,085,606</u>	<u>\$ 802,861</u>		

FINNEY COUNTY, KANSAS
 Economic Development Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 104,953	\$ 111,312	\$ 113,100	\$ (1,788)
Motor vehicle	8,515	7,752	7,681	71
Delinquent property	2,186	2,511	-	2,511
Motor vehicle excise tax	97	99	232	(133)
Recreational vehicle tax	128	99	112	(13)
In lieu of	910	804	798	6
Total cash receipts	<u>116,789</u>	<u>122,577</u>	<u>\$ 121,923</u>	<u>\$ 654</u>
Expenditures:				
Other public service:				
Economic Development Commission	117,486	118,000	\$ 118,000	\$ -
Neighborhood Revitalization Rebate	-	-	98	(98)
Total expenditures	<u>117,486</u>	<u>118,000</u>	<u>\$ 118,098</u>	<u>\$ (98)</u>
Receipts over (under) expenditures	(697)	4,577		
Unencumbered cash, beginning of year	<u>858</u>	<u>161</u>		
Unencumbered cash, end of year	<u>\$ 161</u>	<u>\$ 4,738</u>		

FINNEY COUNTY, KANSAS
 E911 Services Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Licenses and fees	\$ 110,420	\$ 194,396	\$ 100,000	\$ 94,396
Reimbursement on radio system	-	-	94,326	(94,326)
Total cash receipts	<u>110,420</u>	<u>194,396</u>	<u>\$ 194,326</u>	<u>\$ 70</u>
Expenditures:				
Public safety:				
Contractual services	100,159	67,209	\$ 140,808	\$ (73,599)
Radio system lease	-	-	144,326	(144,326)
Total expenditures	<u>100,159</u>	<u>67,209</u>	<u>\$ 285,134</u>	<u>\$ (217,925)</u>
Receipts over expenditures	10,261	127,187		
Unencumbered cash, beginning of year	<u>92,308</u>	<u>102,569</u>		
Unencumbered cash, end of year	<u>\$ 102,569</u>	<u>\$ 229,756</u>		

FINNEY COUNTY, KANSAS
 Emergency Planning Grants Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ 14,028	\$ 30,222
Total cash receipts	<u>14,028</u>	<u>30,222</u>
Expenditures:		
Public safety:		
Contractual services	50	3,222
Commodities	50,735	-
Capital outlay	<u>3,194</u>	<u>-</u>
Total expenditures	<u>53,979</u>	<u>3,222</u>
Receipts over (under) expenditures	(39,951)	27,000
Unencumbered cash, beginning of year	<u>68,571</u>	<u>28,620</u>
Unencumbered cash, end of year	<u>\$ 28,620</u>	<u>\$ 55,620</u>

FINNEY COUNTY, KANSAS
Finney County Fair Association Fund
Schedule of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash receipts:		
Licenses and fees	\$ 89,027	\$ 89,479
Use of money and property	210	81
Transfers in:		
Free Fair and Fair Grounds	53,000	53,000
Total cash receipts	142,237	142,560
Expenditures:		
Culture and recreation:		
Personnel services	8,637	9,897
Contractual services	103,540	105,926
Commodities	28,303	42,712
Total expenditures	140,480	158,535
Receipts over (under) expenditures	1,757	(15,975)
Unencumbered cash, beginning of year	27,408	29,165
Unencumbered cash, end of year	\$ 29,165	\$ 13,190

FINNEY COUNTY, KANSAS
 Free Fair and Fair Grounds Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 442,685	\$ 244,134	\$ 248,545	\$ (4,411)
Motor vehicle	27,142	30,689	32,394	(1,705)
Delinquent property	7,544	8,286	-	8,286
Motor vehicle excise tax	316	416	978	(562)
Recreational vehicle tax	409	395	474	(79)
In lieu of	3,838	1,790	3,367	(1,577)
Use of money and property	145,996	125,877	90,000	35,877
Other	93	218	-	218
Total cash receipts	<u>628,023</u>	<u>411,805</u>	<u>\$ 375,758</u>	<u>\$ 36,047</u>
Expenditures:				
Culture and recreation:				
Personnel services	159,484	158,875	\$ 167,074	\$ (8,199)
Contractual services	184,875	184,507	222,275	(37,768)
Commodities	5,756	5,443	6,725	(1,282)
Capital outlay	117,351	28,855	28,855	-
Neighborhood Revitalization Rebate	-	-	215	(215)
Transfers out:				
Finney County Fair Association	53,000	53,000	53,000	-
Capital Improvement Reserve	15,634	-	-	-
Total expenditures	<u>536,100</u>	<u>430,680</u>	<u>\$ 478,144</u>	<u>\$ (47,464)</u>
Receipts over (under) expenditures	91,923	(18,875)		
Unencumbered cash, beginning of year	<u>190,769</u>	<u>282,692</u>		
Unencumbered cash, end of year	<u>\$ 282,692</u>	<u>\$ 263,817</u>		

FINNEY COUNTY, KANSAS
 GIS Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year</u>	<u>Current Year</u>		<u>Variance Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Intergovernmental revenue:				
City of Garden City	\$ 85,000	\$ 65,162	\$ 80,000	\$ (14,838)
Other	2,331	4,024	-	4,024
Transfers in:				
General	85,000	80,000	80,000	-
Total cash receipts	<u>172,331</u>	<u>149,186</u>	<u>\$ 160,000</u>	<u>\$ (10,814)</u>
Expenditures:				
Other public service:				
Personnel services	44,319	70,177	\$ 86,405	\$ (16,228)
Contractual services	2,114	6,915	35,700	(28,785)
Commodities	5,873	105,456	9,200	96,256
Capital outlay	30,159	36,357	107,500	(71,143)
Total expenditures	<u>82,465</u>	<u>218,905</u>	<u>\$ 238,805</u>	<u>\$ (19,900)</u>
Receipts over (under) expenditures	89,866	(69,719)		
Unencumbered cash, beginning of year	<u>285,699</u>	<u>375,565</u>		
Unencumbered cash, end of year	<u>\$ 375,565</u>	<u>\$ 305,846</u>		

FINNEY COUNTY, KANSAS
Health Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 481,518	\$ 464,273	\$ 472,018	\$ (7,745)
Motor vehicle	34,787	35,164	35,239	(75)
Delinquent property	8,857	10,284	-	10,284
Motor vehicle excise tax	427	453	1,064	(611)
Recreational vehicle tax	530	449	515	(66)
In lieu of	4,175	3,360	3,663	(303)
Intergovernmental revenue:				
State and federal aid	436,542	368,758	350,000	18,758
Licenses and fees	305,552	332,009	100,000	232,009
Other	61,343	99,699	5,000	94,699
Total cash receipts	<u>1,333,731</u>	<u>1,314,449</u>	<u>\$ 967,499</u>	<u>\$ 346,950</u>
Expenditures:				
Health and sanitation:				
Personnel services	822,546	800,232	\$ 904,843	\$ (104,611)
Contractual services	123,656	112,878	142,100	(29,222)
Commodities	186,365	201,321	211,250	(9,929)
Capital outlay	17,369	8,860	10,000	(1,140)
Neighborhood Revitalization Rebate	-	-	408	(408)
Transfers out:				
Capital Improvement Reserve	6,000	-	-	-
Total expenditures	<u>1,155,936</u>	<u>1,123,291</u>	<u>\$ 1,268,601</u>	<u>\$ (145,310)</u>
Receipts over expenditures	177,795	191,158		
Unencumbered cash, beginning of year	<u>710,792</u>	<u>888,587</u>		
Unencumbered cash, end of year	<u>\$ 888,587</u>	<u>\$ 1,079,745</u>		

FINNEY COUNTY, KANSAS
 Historical Museum Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 180,268	\$ 195,133	\$ 198,117	\$ (2,984)
Motor vehicle	14,622	13,293	13,192	101
Delinquent property	3,745	4,302	-	4,302
Motor vehicle excise tax	166	170	398	(228)
Recreational vehicle tax	219	168	193	(25)
In lieu of	1,563	1,410	1,371	39
Total cash receipts	<u>200,583</u>	<u>214,476</u>	<u>\$ 213,271</u>	<u>\$ 1,205</u>
Expenditures:				
Culture and recreation:				
Historical society	200,275	206,400	\$ 206,400	\$ -
Neighborhood Revitalization Rebate	-	-	171	(171)
Total expenditures	<u>200,275</u>	<u>206,400</u>	<u>\$ 206,571</u>	<u>\$ (171)</u>
Receipts over expenditures	308	8,076		
Unencumbered cash, beginning of year	-	308		
Unencumbered cash, end of year	<u>\$ 308</u>	<u>\$ 8,384</u>		

FINNEY COUNTY, KANSAS
 Jail Commissary and Telephone Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Licenses and fees	\$ 92,967	\$ 84,380
Reimbursements	31,262	48,061
Total cash receipts	<u>124,229</u>	<u>132,441</u>
Expenditures:		
Public safety:		
Contractual services	9,352	5,418
Commodities	87,047	82,960
Capital outlay	-	10,940
Total expenditures	<u>96,399</u>	<u>99,318</u>
Receipts over expenditures	27,830	33,123
Unencumbered cash, beginning of year	<u>146,163</u>	<u>173,993</u>
Unencumbered cash, end of year	<u>\$ 173,993</u>	<u>\$ 207,116</u>

FINNEY COUNTY, KANSAS
 Jail Grant Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ -	\$ -
Total cash receipts	<u>-</u>	<u>-</u>
Expenditures:		
Public safety:		
Contractual services	-	9,993
Total expenditures	<u>-</u>	<u>9,993</u>
Receipts over (under) expenditures	-	(9,993)
Unencumbered cash, beginning of year	<u>9,993</u>	<u>9,993</u>
Unencumbered cash, end of year	<u>\$ 9,993</u>	<u>\$ -</u>

FINNEY COUNTY, KANSAS
 Juvenile Detention Center Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Intergovernmental revenue:				
State and federal aid	\$ 27,381	\$ 31,662	\$ 30,000	\$ 1,662
Other counties/agencies	763,427	871,625	819,412	52,213
Other	1,608	1,001	1,000	1
Transfers in:				
General	444,325	447,000	531,405	(84,405)
Total cash receipts	1,236,741	1,351,288	\$ 1,381,817	\$ (30,529)
Expenditures:				
Public safety:				
Personnel services	1,042,642	1,102,797	\$ 1,163,517	\$ (60,720)
Contractual services	87,414	109,182	110,700	(1,518)
Commodities	99,563	113,214	107,600	5,614
Capital outlay	12,723	-	-	-
Transfers out:				
Juvenile Detention Building	10,000	-	-	-
Total expenditures	1,252,342	1,325,193	\$ 1,381,817	\$ (56,624)
Receipts over (under) expenditures	(15,601)	26,095		
Unencumbered cash, beginning of year	96,149	80,548		
Unencumbered cash, end of year	<u>\$ 80,548</u>	<u>\$ 106,643</u>		

FINNEY COUNTY, KANSAS
 Juvenile Detention Center Building Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Use of money and property	\$ 51	\$ 19	\$ -	\$ 19
Transfers in:				
Juvenile Detention	10,000	-	-	-
Total cash receipts	10,051	19	\$ -	\$ 19
Expenditures:				
Public safety:				
Capital outlay	-	-	\$ 50,642	\$ (50,642)
Total expenditures	-	-	\$ 50,642	\$ (50,642)
Receipts over expenditures	10,051	19		
Unencumbered cash, beginning of year	40,642	50,693		
Unencumbered cash, end of year	\$ 50,693	\$ 50,712		

FINNEY COUNTY, KANSAS
 Juvenile Detention Center Grants Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	<u>\$ 24,516</u>	<u>\$ 26,567</u>
Total cash receipts	<u>24,516</u>	<u>26,567</u>
Expenditures:		
Public safety:		
Personnel services	-	4,608
Contractual services	-	8,436
Commodities	-	11,360
Capital outlay	<u>1,112</u>	<u>5,909</u>
Total expenditures	<u>1,112</u>	<u>30,313</u>
Receipts over (under) expenditures	23,404	(3,746)
Unencumbered cash, beginning of year	<u>-</u>	<u>23,404</u>
Unencumbered cash, end of year	<u>\$ 23,404</u>	<u>\$ 19,658</u>

FINNEY COUNTY, KANSAS
 Library Maintenance Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 786,175	\$ 844,387	\$ 858,654	\$ (14,267)
Motor vehicle	63,254	58,059	57,535	524
Delinquent property	16,173	18,584	-	18,584
Motor vehicle excise tax	727	740	1,737	(997)
Recreational vehicle tax	949	739	841	(102)
In lieu of	6,820	6,099	5,980	119
Total cash receipts	<u>874,098</u>	<u>928,608</u>	<u>\$ 924,747</u>	<u>\$ 3,861</u>
Expenditures:				
Culture and recreation:				
Finney County Library	872,788	894,968	\$ 894,968	\$ -
Neighborhood Revitalization Rebate	-	-	742	(742)
Total expenditures	<u>872,788</u>	<u>894,968</u>	<u>\$ 895,710</u>	<u>\$ (742)</u>
Receipts over expenditures	1,310	33,640		
Unencumbered cash, beginning of year	-	1,310		
Unencumbered cash, end of year	<u>\$ 1,310</u>	<u>\$ 34,950</u>		

FINNEY COUNTY, KANSAS
Mental Retardation Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 270,639	\$ 287,817	\$ 292,386	\$ (4,569)
Motor vehicle	23,982	20,358	19,807	551
Delinquent property	6,205	6,848	-	6,848
Motor vehicle excise tax	267	255	598	(343)
Recreational vehicle tax	357	258	290	(32)
In lieu of	2,350	2,081	2,059	22
Total cash receipts	<u>303,800</u>	<u>317,617</u>	<u>\$ 315,140</u>	<u>\$ 2,477</u>
Expenditures:				
Health and sanitation:				
Distributions - SDSI	180,000	180,000	\$ 180,000	\$ -
Distributions - RCDC	120,183	125,000	125,000	-
Neighborhood Revitalization Rebate	-	-	253	(253)
Total expenditures	<u>300,183</u>	<u>305,000</u>	<u>\$ 305,253</u>	<u>\$ (253)</u>
Receipts over expenditures	3,617	12,617		
Unencumbered cash, beginning of year	<u>494</u>	<u>4,111</u>		
Unencumbered cash, end of year	<u>\$ 4,111</u>	<u>\$ 16,728</u>		

FINNEY COUNTY, KANSAS
 Noxious Weed Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 258,051	\$ 222,127	\$ 225,960	\$ (3,833)
Motor vehicle	12,833	16,990	18,882	(1,892)
Delinquent property	4,115	5,053	-	5,053
Motor vehicle excise tax	143	243	570	(327)
Recreational vehicle tax	191	221	276	(55)
In lieu of	2,237	1,604	1,963	(359)
Licenses and fees	221,009	230,009	425,000	(194,991)
Total cash receipts	<u>498,579</u>	<u>476,247</u>	<u>\$ 672,651</u>	<u>\$ (196,404)</u>
Expenditures:				
Public works:				
Personnel services	152,807	155,824	\$ 173,984	\$ (18,160)
Contractual services	15,251	13,349	15,950	(2,601)
Commodities	290,923	319,948	479,865	(159,917)
Other	2	62	500	(438)
Neighborhood Revitalization Rebate	-	-	195	(195)
Total expenditures	<u>458,983</u>	<u>489,183</u>	<u>\$ 670,494</u>	<u>\$ (181,311)</u>
Receipts over (under) expenditures	39,596	(12,936)		
Unencumbered cash, beginning of year	<u>16,240</u>	<u>55,836</u>		
Unencumbered cash, end of year	<u>\$ 55,836</u>	<u>\$ 42,900</u>		

FINNEY COUNTY, KANSAS
Noxious Weed Capital Outlay Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Sale of County assets	\$ -	\$ -	\$ -	\$ -
Total cash receipts	-	-	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Public works:				
Capital outlay	-	24,166	\$ 112,028	\$ (87,862)
Total expenditures	-	24,166	<u>\$ 112,028</u>	<u>\$ (87,862)</u>
Receipts over (under) expenditures	-	(24,166)		
Unencumbered cash, beginning of year	117,028	117,028		
Unencumbered cash, end of year	<u>\$ 117,028</u>	<u>\$ 92,862</u>		

FINNEY COUNTY, KANSAS
Parks and Recreation Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Intergovernmental revenue:				
Alcohol tax	\$ 20,275	\$ 16,003	\$ 19,490	\$ (3,487)
Total cash receipts	<u>20,275</u>	<u>16,003</u>	<u>\$ 19,490</u>	<u>\$ (3,487)</u>
Expenditures:				
Culture and recreation:				
Distributions	11,500	17,500	\$ 52,512	\$ (35,012)
Total expenditures	<u>11,500</u>	<u>17,500</u>	<u>\$ 52,512</u>	<u>\$ (35,012)</u>
Receipts over (under) expenditures	8,775	(1,497)		
Unencumbered cash, beginning of year	<u>21,847</u>	<u>30,622</u>		
Unencumbered cash, end of year	<u>\$ 30,622</u>	<u>\$ 29,125</u>		

FINNEY COUNTY, KANSAS
 Register of Deeds' Technology Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash receipts:		
Licenses and fees	\$ 38,154	\$ 35,610
Use of money and property	369	51
Total cash receipts	<u>38,523</u>	<u>35,661</u>
Expenditures:		
General government:		
Contractual services	<u>126,609</u>	<u>55,277</u>
Total expenditures	<u>126,609</u>	<u>55,277</u>
Receipts under expenditures	(88,086)	(19,616)
Unencumbered cash, beginning of year	<u>165,670</u>	<u>77,584</u>
Unencumbered cash, end of year	<u>\$ 77,584</u>	<u>\$ 57,968</u>

FINNEY COUNTY, KANSAS
 Road and Bridge Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 3,443,510	\$ 2,480,560	\$ 2,524,387	\$ (43,827)
Motor vehicle	251,152	251,639	252,008	(369)
Delinquent property	63,585	69,941	-	69,941
Motor vehicle excise tax	3,060	3,240	7,607	(4,367)
Recreational vehicle tax	3,820	3,210	3,686	(476)
In lieu of	29,858	18,087	26,193	(8,106)
Intergovernmental revenue:				
State of Kansas	1,143,517	1,146,347	1,079,838	66,509
Use of money and property	1,250	1,909	-	1,909
Other	46,126	38,597	-	38,597
Transfers in:				
System Enhancement	974,461	-	-	-
Total cash receipts	<u>5,960,339</u>	<u>4,013,530</u>	<u>\$ 3,893,719</u>	<u>\$ 119,811</u>
Expenditures:				
Public works:				
Personnel services	1,878,816	1,738,320	\$ 2,133,499	\$ (395,179)
Contractual services	911,517	839,228	1,255,500	(416,272)
Commodities	588,076	711,019	758,000	(46,981)
Capital outlay	208,125	761,406	290,000	471,406
System Enhancement:				
Capital outlay	-	-	973,276	(973,276)
Transfers out:				
Special Highway Improvement	700,000	1,003,383	-	1,003,383
Special Road Machinery and Equipment	600,000	200,000	-	200,000
Neighborhood Revitalization Rebate	-	-	2,182	(2,182)
Total expenditures	<u>4,886,534</u>	<u>5,253,356</u>	<u>\$ 5,412,457</u>	<u>\$ (159,101)</u>
Receipts over (under) expenditures	1,073,805	(1,239,826)		
Unencumbered cash, beginning of year	<u>1,057,844</u>	<u>2,131,649</u>		
Unencumbered cash, end of year	<u>\$ 2,131,649</u>	<u>\$ 891,823</u>		

FINNEY COUNTY, KANSAS
Special Alcohol and Drug Fund
Schedule of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Taxes:		
Delinquent taxes	<u>\$ -</u>	<u>\$ -</u>
Total cash receipts	<u>-</u>	<u>-</u>
Expenditures:		
Health and sanitation	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	<u>87</u>	<u>87</u>
Unencumbered cash, end of year	<u>\$ 87</u>	<u>\$ 87</u>

FINNEY COUNTY, KANSAS
Special Highway Improvement Fund
Schedule of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Transfers in:		
Road and Bridge	\$ 1,118,000	\$ 1,003,383
Other	<u>30,981</u>	<u>65,898</u>
Total cash receipts	<u>1,148,981</u>	<u>1,069,281</u>
Expenditures:		
Public works:		
Capital outlay	<u>850,109</u>	<u>-</u>
Total expenditures	<u>850,109</u>	<u>-</u>
Receipts over expenditures	298,872	1,069,281
Unencumbered cash, beginning of year	<u>3,498,849</u>	<u>3,797,721</u>
Unencumbered cash, end of year	<u>\$ 3,797,721</u>	<u>\$ 4,867,002</u>

FINNEY COUNTY, KANSAS
 Special Road Machinery and Equipment Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Sale of County assets	\$ -	\$ 15,650
Transfers in:		
Road and Bridge	<u>600,000</u>	<u>200,000</u>
Total cash receipts	<u>600,000</u>	<u>215,650</u>
Expenditures:		
Public works:		
Capital outlay	<u>367,680</u>	<u>-</u>
Total expenditures	<u>367,680</u>	<u>-</u>
Receipts over expenditures	232,320	215,650
Unencumbered cash, beginning of year	<u>605,778</u>	<u>838,098</u>
Unencumbered cash, end of year	<u>\$ 838,098</u>	<u>\$ 1,053,748</u>

FINNEY COUNTY, KANSAS
 Sheriff's Crime Prevention Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Sales and donations	<u>\$ 5,681</u>	<u>\$ 2,635</u>
Total cash receipts	<u>5,681</u>	<u>2,635</u>
Expenditures:		
Public safety:		
Commodities	<u>4,802</u>	<u>4,000</u>
Total expenditures	<u>4,802</u>	<u>4,000</u>
Receipts over (under) expenditures	879	(1,365)
Unencumbered cash, beginning of year	<u>1,521</u>	<u>2,400</u>
Unencumbered cash, end of year	<u><u>\$ 2,400</u></u>	<u><u>\$ 1,035</u></u>

FINNEY COUNTY, KANSAS
 Sheriff's Special Account Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Other	<u>\$ 684</u>	<u>\$ -</u>
Total cash receipts	<u>684</u>	<u>-</u>
Expenditures:		
Public safety:		
Commodities	<u>684</u>	<u>200</u>
Total expenditures	<u>684</u>	<u>200</u>
Receipts over (under) expenditures	-	(200)
Unencumbered cash, beginning of year	<u>684</u>	<u>684</u>
Unencumbered cash, end of year	<u><u>\$ 684</u></u>	<u><u>\$ 484</u></u>

FINNEY COUNTY, KANSAS
 Federal and State Forfeiture Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash receipts:		
Use of money and property	\$ 52	\$ 837
Forfeitures	<u>40,682</u>	<u>41,688</u>
Total cash receipts	<u>40,734</u>	<u>42,525</u>
Expenditures:		
Public safety:		
Contractual services	600	1,113
Commodities	14,004	13,719
Capital outlay	<u>3,197</u>	<u>2,293</u>
Total expenditures	<u>17,801</u>	<u>17,125</u>
Receipts over expenditures	22,933	25,400
Unencumbered cash, beginning of year	<u>77,169</u>	<u>100,102</u>
Unencumbered cash, end of year	<u>\$ 100,102</u>	<u>\$ 125,502</u>

FINNEY COUNTY, KANSAS
 State Drug Tax Assessment Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ 17,747	\$ 4,788
Other	573	-
Total cash receipts	<u>18,320</u>	<u>4,788</u>
Expenditures:		
Public safety:		
Contractual services	28,206	4,418
Commodities	2,488	850
Capital outlay	<u>8,709</u>	<u>7,074</u>
Total expenditures	<u>39,403</u>	<u>12,342</u>
Receipts under expenditures	(21,083)	(7,554)
Unencumbered cash, beginning of year	<u>32,521</u>	<u>11,438</u>
Unencumbered cash, end of year	<u>\$ 11,438</u>	<u>\$ 3,884</u>

FINNEY COUNTY, KANSAS
 Western Pyramid Public Health Region Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ 25,194	\$ 77,140
Other	-	1,978
Total cash receipts	<u>25,194</u>	<u>79,118</u>
Expenditures:		
Public safety:		
Contractual services	25,871	26,096
Commodities	<u>20,923</u>	<u>25,443</u>
Total expenditures	<u>46,794</u>	<u>51,539</u>
Receipts over (under) expenditures	(21,600)	27,579
Unencumbered cash (deficit), beginning of year	<u>3,105</u>	<u>(18,495)</u>
Unencumbered cash (deficit), end of year	<u>\$ (18,495)</u>	<u>\$ 9,084</u>

FINNEY COUNTY, KANSAS
 Women, Infants and Children Grant Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ 477,997	\$ 428,565
Total cash receipts	<u>477,997</u>	<u>428,565</u>
Expenditures:		
Public safety:		
Personnel services	380,884	420,110
Contractual services	13,154	14,557
Commodities	22,921	54,527
Capital outlay	<u>890</u>	<u>829</u>
Total expenditures	<u>417,849</u>	<u>490,023</u>
Receipts over (under) expenditures	60,148	(61,458)
Unencumbered cash (deficit), beginning of year	<u>(85,992)</u>	<u>(25,844)</u>
Unencumbered cash (deficit), end of year	<u>\$ (25,844)</u>	<u>\$ (87,302)</u>

FINNEY COUNTY, KANSAS
 Youth Services Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Intergovernmental revenue:		
State and federal aid	\$ 753,685	\$ 831,334
Reimbursements and restitution	<u>53,880</u>	<u>42,061</u>
Total cash receipts	<u>807,565</u>	<u>873,395</u>
Expenditures:		
Public safety:		
Personnel services	752,602	657,245
Contractual services	212,182	159,331
Commodities	<u>45,105</u>	<u>50,810</u>
Total expenditures	<u>1,009,889</u>	<u>867,386</u>
Receipts over (under) expenditures	(202,324)	6,009
Unencumbered cash (deficit), beginning of year	<u>(5,705)</u>	<u>(208,029)</u>
Unencumbered cash (deficit), end of year	<u>\$ (208,029)</u>	<u>\$ (202,020)</u>

Debt Service Fund

Fund Description

The Debt Service Fund is used to account for the accumulation of resources to be used for the payment of principal, interest and related costs of the general obligation bonds and certain other long-term obligations of the County.

FINNEY COUNTY, KANSAS
 Bond and Interest Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 14,992	\$ 12,212	\$ -	\$ 12,212
Motor vehicle	1,605	1	-	1
Delinquent property	804	615	-	615
Recreational vehicle tax	19	-	-	-
In lieu of	2	-	-	-
Special assessments	60,885	60,885	63,745	(2,860)
Local sales	-	-	1,359,700	(1,359,700)
Transfers in:				
Sewer District #2	39,090	42,200	89,250	(47,050)
Total cash receipts	<u>117,397</u>	<u>115,913</u>	<u>\$ 1,512,695</u>	<u>\$ (1,396,782)</u>
Expenditures:				
Bond principal	90,000	95,000	\$ 1,180,000	\$ (1,085,000)
Bond interest	9,975	5,170	326,920	(321,750)
Fees	11	11	200	(189)
Cash basis reserve	-	-	357,303	(357,303)
Total expenditures	<u>99,986</u>	<u>100,181</u>	<u>\$ 1,864,423</u>	<u>\$ (1,764,242)</u>
Receipts over expenditures	17,411	15,732		
Unencumbered cash, beginning of year	<u>351,928</u>	<u>369,339</u>		
Unencumbered cash, end of year	<u>\$ 369,339</u>	<u>\$ 385,071</u>		

Capital Project Funds

Fund Description

The Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. Financing is provided by general and limited obligation bond issues.

The following funds are used to account for the financing and construction of various improvements within the County:

*LEC/Courthouse Improvement

FINNEY COUNTY, KANSAS
 LEC/Courthouse Improvements Fund
 Schedule of Cash Receipts and Expenditures
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash receipts:		
Taxes:		
Local sales	\$ 1,655,213	\$ 1,777,207
Use of money and property	8,735	1,083
Total cash receipts	<u>1,663,948</u>	<u>1,778,290</u>
Expenditures:		
Debt service:		
Bond principal	2,760,000	240,000
Bond interest	<u>317,950</u>	<u>232,800</u>
Total expenditures	<u>3,077,950</u>	<u>472,800</u>
Receipts over (under) expenditures	(1,414,002)	1,305,490
Unencumbered cash, beginning of year	<u>1,795,630</u>	<u>381,628</u>
Unencumbered cash, end of year	<u>\$ 381,628</u>	<u>\$ 1,687,118</u>

Proprietary Funds

Enterprise Funds

Fund Description

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

The Enterprise Funds used by Finney County, Kansas, are:

Landfill:

This fund is used to account for the activities of the County's landfill monitoring programs and future planning for long-term solid waste management programs.

Sewer District #1:

This fund is used to account for the receipt of user fees and expenditures of funds for the retirement of debt and operation of the sewer district.

Sewer District #2:

This fund is used to account for the receipt of user fees and expenditures of funds for the retirement of debt and operation of the sewer district.

Sewer District #3:

This fund is used to account for the receipt of user fees and expenditures of funds for the operation of the sewer district.

Sewer District #3 Bond and Interest:

This fund is used to account for the accumulation of resources to be used for the payment of principal, interest and related costs of the bonds used to construct the infrastructure of the sewer district.

FINNEY COUNTY, KANSAS
 Landfill Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Interest and royalties	\$ 4,234	\$ 1,890	\$ -	\$ 1,890
Rent	5,616	34,127	-	34,127
Licenses and fees	134,136	111,972	90,000	21,972
Total cash receipts	<u>143,986</u>	<u>147,989</u>	<u>\$ 90,000</u>	<u>\$ 57,989</u>
Expenditures:				
Health and sanitation:				
Personnel services	-	-	\$ 10,000	\$ (10,000)
Contractual services	80,681	44,760	550,000	(505,240)
Commodities	-	-	10,000	(10,000)
Total expenditures	<u>80,681</u>	<u>44,760</u>	<u>\$ 570,000</u>	<u>\$ (525,240)</u>
Receipts over expenditures	63,305	103,229		
Unencumbered cash, beginning of year	<u>750,970</u>	<u>814,275</u>		
Unencumbered cash, end of year	<u>\$ 814,275</u>	<u>\$ 917,504</u>		

FINNEY COUNTY, KANSAS
Sewer District #1 Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 7,815	\$ 8,049	\$ 8,867	\$ (818)
Motor vehicle	2,040	1,975	1,911	64
Delinquent property	645	461	-	461
Motor vehicle excise tax	-	-	127	(127)
Recreational vehicle tax	20	22	29	(7)
User fees	89,976	78,872	90,000	(11,128)
Total cash receipts	<u>100,496</u>	<u>89,379</u>	<u>\$ 100,934</u>	<u>\$ (11,555)</u>
Expenditures:				
Health and sanitation:				
Personnel services	11,299	9,847	\$ 13,500	\$ (3,653)
Contractual services	59,327	53,922	191,846	(137,924)
Commodities	43	1,508	3,000	(1,492)
Capital outlay	-	-	10,000	(10,000)
Total expenditures	<u>70,669</u>	<u>65,277</u>	<u>\$ 218,346</u>	<u>\$ (153,069)</u>
Receipts over expenditures	29,827	24,102		
Unencumbered cash, beginning of year	<u>157,169</u>	<u>186,996</u>		
Unencumbered cash, end of year	<u>\$ 186,996</u>	<u>\$ 211,098</u>		

FINNEY COUNTY, KANSAS
 Sewer District #2 Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over Under
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 24,341	\$ 25,727	\$ 25,749	\$ (22)
Motor vehicle	5,424	4,758	4,960	(202)
Delinquent property	604	529	-	529
Motor vehicle excise tax	-	-	52	(52)
Recreational vehicle tax	55	74	60	14
User fees	39,449	45,200	15,840	29,360
Total cash receipts	69,873	76,288	\$ 46,661	\$ 29,627
Expenditures:				
Health and sanitation:				
Personnel services	11,551	10,936	\$ 12,500	\$ (1,564)
Contractual services	10,634	11,540	13,400	(1,860)
Commodities	746	1,254	2,300	(1,046)
Capital outlay	-	-	32,570	(32,570)
Transfers out:				
Bond and Interest	39,090	42,200	42,200	-
Total expenditures	62,021	65,930	\$ 102,970	\$ (37,040)
Receipts over expenditures	7,852	10,358		
Unencumbered cash, beginning of year	97,616	105,468		
Unencumbered cash, end of year	\$ 105,468	\$ 115,826		

FINNEY COUNTY, KANSAS
 Sewer District #3 Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
User fees	\$ 67,412	\$ 87,174	\$ 90,656	\$ (3,482)
Total cash receipts	<u>67,412</u>	<u>87,174</u>	<u>\$ 90,656</u>	<u>\$ (3,482)</u>
Expenditures:				
Health and sanitation:				
Personnel services	9,987	10,441	\$ 12,500	\$ (2,059)
Contractual services	65,361	73,034	66,100	6,934
Commodities	16	212	1,450	(1,238)
Interest on bonds	-	-	48,269	(48,269)
Total expenditures	<u>75,364</u>	<u>83,687</u>	<u>\$ 128,319</u>	<u>\$ (44,632)</u>
Receipts over (under) expenditures	(7,952)	3,487		
Unencumbered cash, beginning of year	<u>61,936</u>	<u>53,984</u>		
Unencumbered cash, end of year	<u>\$ 53,984</u>	<u>\$ 57,471</u>		

FINNEY COUNTY, KANSAS
 Sewer District #3 Bond and Interest Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Special assessments	\$ 45,540	\$ 51,614	\$ 36,090	\$ 15,524
Other	-	-	48,269	(48,269)
Total cash receipts	<u>45,540</u>	<u>51,614</u>	<u>\$ 84,359</u>	<u>\$ (32,745)</u>
Expenditures:				
Principal	10,000	10,000	\$ 10,000	\$ -
Bond interest	<u>37,525</u>	<u>37,050</u>	<u>37,050</u>	<u>-</u>
Total expenditures	<u>47,525</u>	<u>47,050</u>	<u>\$ 47,050</u>	<u>\$ -</u>
Receipts over (under) expenditures	(1,985)	4,564		
Unencumbered cash (deficit), beginning of year	<u>(36,197)</u>	<u>(38,182)</u>		
Unencumbered cash (deficit), end of year	<u>\$ (38,182)</u>	<u>\$ (33,618)</u>		

Fiduciary Funds

Nonexpendable Trust Funds

Fund Description

The Nonexpendable Trust Funds are used to account for assets held by the County in a trustee capacity for which the principal cannot be spent.

The Nonexpendable Trust Funds used by Finney County, Kansas, are:

CDBG Revolving Loan Fund:

This fund is used to account for loan repayments and new loan authorizations of monies available and set aside for economic development activities within the County. The monies originally resulted from the proceeds of a Community Development Block Grant for the establishment of a permanent revolving loan fund.

FINNEY COUNTY, KANSAS
 CDBG Revolving Loan Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Loan repayments	\$ 37,566	\$ 35,247	\$ 25,000	\$ 10,247
Use of money and property	364	413	500	(87)
Total cash receipts	<u>37,930</u>	<u>35,660</u>	<u>\$ 25,500</u>	<u>\$ 10,160</u>
Expenditures:				
Other public service:				
Loan distributions	-	-	\$ 123,828	\$ (123,828)
Contractual services	<u>1,709</u>	<u>559</u>	<u>5,000</u>	<u>(4,441)</u>
Total expenditures	<u>1,709</u>	<u>559</u>	<u>\$ 128,828</u>	<u>\$ (128,269)</u>
Receipts over expenditures	36,221	35,101		
Unencumbered cash, beginning of year	<u>82,828</u>	<u>119,049</u>		
Unencumbered cash, end of year	<u>\$ 119,049</u>	<u>\$ 154,150</u>		

Component Units

Fund Description

Component units are legally separate from the County. The governing bodies of all of these component units are appointed by the County Commission. Each component unit has a December 31st year end. Neither component unit is subject to a legally adopted annual operating budget; however, internal operating budget information is presented.

The component units of Finney County, Kansas, are:

Finney County Extension Council:

The Council provides services in such areas as agriculture, home economics and 4-H clubs to all persons in the County. The County levies taxes for the support of the Council.

Finney County Public Library:

The Library Board operates the County's library and provides services for the residents of Finney County. The Board of Directors is responsible for the management and fiscal accountability of the Library. The County Commissioners approve the Library's budget and levy taxes for Library operations. Bond issuances for the Library's benefit must be approved by the County.

FINNEY COUNTY, KANSAS
 Finney County Extension Council
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Internal Budget*	
Cash receipts:				
Intergovernmental revenue	\$ 279,425	\$ 259,426	\$ 259,426	\$ -
Use of money and property	849	541	-	541
Other	21,446	33,145	35,000	(1,855)
Total cash receipts	301,720	293,112	\$ 294,426	\$ (1,314)
Expenditures:				
Culture and recreation:				
Personnel services	231,552	233,477	\$ 246,500	\$ (13,023)
Contractual services	23,618	26,466	35,400	(8,934)
Commodities	35,590	24,080	22,500	1,580
Capital outlay	2,138	2,234	9,900	(7,666)
Total expenditures	292,898	286,257	\$ 314,300	\$ (28,043)
Receipts over expenditures	8,822	6,855		
Unencumbered cash, beginning of year	46,368	55,190		
Unencumbered cash, end of year	<u>\$ 55,190</u>	<u>\$ 62,045</u>		

*Note: This is an internal operating budget only. The Council is not subject to a legal budget.

FINNEY COUNTY, KANSAS
 Finney County Public Library
 General Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Internal Budget*	
Cash receipts:				
Intergovernmental revenues	\$ 923,101	\$ 915,644	\$ 915,000	\$ 644
Licenses and fees	33,214	37,692	30,000	7,692
Use of money and property	1,890	2,039	3,000	(961)
Other	28,363	85,821	30,000	55,821
Transfers in	-	-	-	-
Total cash receipts	986,568	1,041,196	\$ 978,000	\$ 63,196
Expenditures:				
Culture and recreation:				
Contractual services	981,784	963,625	\$ 995,667	\$ (32,042)
Commodities	10,662	22,685	10,000	12,685
Transfers out	25,000	5,806	-	5,806
Total expenditures	1,017,446	992,116	\$ 1,005,667	\$ (13,551)
Receipts over (under) expenditures	(30,878)	49,080		
Unencumbered cash, beginning of year	90,641	59,763		
Unencumbered cash, end of year	<u>\$ 59,763</u>	<u>\$ 108,843</u>		

*Note: This is an internal operating budget only. The Library is not subject to a legal budget.

FINNEY COUNTY, KANSAS
Finney County Public Library
Capital Improvement Fund
Schedule of Cash Receipts and Expenditures
For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash receipts:		
Use of money and property	\$ 1,959	\$ 473
Other	1,800	4,133
Transfers in	25,000	5,806
Total cash receipts	28,759	10,412
Expenditures:		
Culture and recreation:		
Capital outlay	24,071	4,665
Total expenditures	24,071	4,665
Receipts over expenditures	4,688	5,747
Unencumbered cash, beginning of year	109,730	114,418
Unencumbered cash, end of year	\$ 114,418	\$ 120,165

Agency Funds

Fund Description

The Agency Funds are used to account for assets held by the County as an agent for other funds.

The Agency Funds used by Finney County, Kansas, are:

County Clerk Account:

This fund is used to account for fees collected by the County Clerk's office.

County Attorney Account:

This fund is used to account for restitutions collected by the County Attorney's office.

Register of Deeds Account:

This fund is used to account for mortgage fees, recording fees and miscellaneous fees for copies and faxes.

Fair Grounds Account:

This fund is used to account for the collection of deposits for rental of the fairground buildings by the general public.

District Court Account:

This fund is used to account for the collections of fines, fees and related court costs along with the collection and payment of child support and other payments as ordered by the Court.

Law Library Account:

This fund is used to account for funds used in the operation of the County's law library.

Sheriff Account:

This fund is used to account for sheriff and report fees, VIN fees, warrants, and reimbursements for use of the County jail by other law enforcement entities.

Sheriff Bond Account:

This fund is used to account for all monies held as bonds by the Sheriff department.

Sheriff Inmate Account:

This fund is used to account for monies held in trust for inmates which can be used for inmate purchases.

Sheriff Offender Account:

This fund is used to account for fees collected by the Sheriff department.

County Treasurer – Senior Center Bus Barn Project Account:

This fund is used to account for monies from the Finney County Council on Aging, Inc. for construction of the Senior Center's bus barn.

County Treasurer - Payroll Account:

This fund is used to account for all withholdings from County employees. These withholdings are remitted to the appropriate agency.

County Treasurer - Motor Vehicle Fees and Sales Tax Collections Account:

This fund is used to account for fees assessed to register certain motor vehicles with the State of Kansas; reports and remittances are made to the State daily. This fund is also used to account for taxes collected on the sale of motor vehicles and trailers.

Agency Funds

County Treasurer - Tax Collections Account:

This fund is used to account for collections of County ad valorem taxes. The funds included are: current tax, protested tax, advanced tax, motor vehicle registration tax, recreational vehicle tax, and rental and excise tax.

County Treasurer - Tax Accounts Account:

This fund is used to account for distribution of County ad valorem taxes collected to the various taxing entities in the County. Distributions are made in January, March, May, July, September and October. Delinquent personal property taxes are distributed once a year, generally in March.

FINNEY COUNTY, KANSAS
Trust and Agency Funds
Statements of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2011

	Balance 1/1/11	Cash Receipts	Cash Disburse- ments	Balance 12/31/11
Trust and Agency Accounts:				
County Clerk Account	\$ 901	\$ 21,647	\$ 22,548	\$ -
County Attorney Account	3,417	150,264	151,432	2,249
Register of Deeds Account	41,068	382,299	386,551	36,816
Fair Grounds Account	49,813	60,512	57,343	52,982
District Court Account	73,105	2,314,806	2,222,686	165,225
Law Library Account	21,734	66,365	85,560	2,539
Sheriff Account	3,153	232,223	231,902	3,474
Sheriff Bond Account	5,511	176,356	175,737	6,130
Sheriff Inmate Account	7,162	232,457	235,412	4,207
Sheriff Offender Account	7,515	13,195	2,561	18,149
County Treasurer:				
Senior Center Bus Barn Project Account	1,026	-	-	1,026
Payroll Account	(2,902)	4,096,073	4,139,200	(46,029)
Motor Vehicle Fees and Sales Tax Collection Account	81,926	3,283,974	3,306,963	58,937
Tax Collections Account	32,513,885	65,214,777	62,159,440	35,569,222
Tax Accounts Account	402,297	42,046,472	42,106,233	342,536
Total	\$ 33,209,611	\$ 118,291,420	\$ 115,283,568	\$ 36,217,463

FINNEY COUNTY, KANSAS
General Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem property	\$ 8,573,736	\$ 8,211,393	\$ 8,353,790	\$ (142,397)
Motor vehicle	590,672	617,741	627,443	(9,702)
Delinquent property	156,284	183,003	-	183,003
Motor vehicle excise tax	7,211	8,067	18,938	(10,871)
Recreational vehicle tax	8,989	7,899	9,178	(1,279)
Interest and fees:				
Current	32,877	32,642	10,000	22,642
Vehicle	4,516	4,221	-	4,221
Delinquent	163,609	202,444	20,000	182,444
Local sales	1,626,233	1,769,261	1,750,000	19,261
In lieu of	74,312	59,398	65,214	(5,816)
Total taxes	11,238,439	11,096,069	10,854,563	241,506
Intergovernmental revenue:				
Private club liquor tax	20,275	16,003	19,490	(3,487)
Severance tax	238,001	263,908	150,000	113,908
Total intergovernmental revenue	258,276	279,911	169,490	110,421
Licenses and fees:				
Mortgage registration fees	343,770	269,236	275,000	(5,764)
Officers' fees	434,292	441,326	250,000	191,326
Franchise fees	30,151	30,596	15,000	15,596
Total licenses and fees	808,213	741,158	540,000	201,158
Use of money and property:				
Interest on investments	62,839	60,391	80,000	(19,609)
Total use of money and property	62,839	60,391	80,000	(19,609)
Other:				
Library reimbursement	46,800	46,800	46,800	-
Royalties	2,171	2,161	-	2,161
Sale of County assets	-	6,657	-	6,657
Other	455,716	376,924	100,000	276,924
Total other	504,687	432,542	146,800	285,742
Total cash receipts	12,872,454	12,610,071	\$ 11,790,853	\$ 819,218

FINNEY COUNTY, KANSAS
 General Fund
 Schedule of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2011
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Expenditures:				
General government:				
General and administrative:				
Personnel services	\$ 97,345	\$ 176,655	\$ 92,160	\$ 84,495
Contractual services	1,168,183	1,086,421	1,362,000	(275,579)
Commodities	81,303	99,801	150,000	(50,199)
Capital outlay	141,889	288	500,000	(499,712)
Total general and administrative	1,488,720	1,363,165	2,104,160	(740,995)
County Commission:				
Personnel services	104,041	95,346	99,246	(3,900)
Commodities	2,884	2,200	4,225	(2,025)
Total County Commission	106,925	97,546	103,471	(5,925)
County Administrator:				
Personnel services	250,723	209,547	265,381	(55,834)
Contractual services	1,068	889	3,150	(2,261)
Commodities	7,951	8,267	7,700	567
Total County Administrator	259,742	218,703	276,231	(57,528)
County Treasurer:				
Personnel services	389,036	380,449	387,598	(7,149)
Contractual services	17,933	14,447	17,300	(2,853)
Commodities	18,140	21,465	20,500	965
Capital outlay	400	-	-	-
Total County Treasurer	425,509	416,361	425,398	(9,037)
County Clerk:				
Personnel services	256,135	204,556	228,289	(23,733)
Contractual services	35,130	19,384	42,500	(23,116)
Commodities	31,726	18,567	25,000	(6,433)
Total County Clerk	322,991	242,507	295,789	(53,282)
Register of Deeds:				
Personnel services	143,202	158,302	144,289	14,013
Contractual services	2,434	837	2,500	(1,663)
Commodities	3,270	2,515	3,800	(1,285)
Total Register of Deeds	148,906	161,654	150,589	11,065

FINNEY COUNTY, KANSAS
General Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Computer Support Services				
Personnel services	\$ 194,970	\$ 199,559	\$ 195,465	\$ 4,094
Contractual services	59,434	117,400	120,500	(3,100)
Commodities	9,294	6,749	16,000	(9,251)
Total Computer Support Services	263,698	323,708	331,965	(8,257)
County Appraiser:				
Personnel services	488,754	503,326	531,712	(28,386)
Contractual services	24,863	19,311	71,500	(52,189)
Commodities	65,155	61,797	32,500	29,297
Capital outlay	26,562	27,927	19,000	8,927
Total County Appraiser	605,334	612,361	654,712	(42,351)
Building Maintenance:				
Personnel services	439,453	442,596	521,762	(79,166)
Contractual services	6,037	12,152	10,300	1,852
Commodities	45,902	61,285	61,150	135
Capital outlay	343	-	-	-
Total Building Maintenance	491,735	516,033	593,212	(77,179)
Other Agencies:				
Agricultural extension	230,000	210,000	210,000	-
Soil conservation	30,000	27,300	27,300	-
Animal shelter	25,000	25,000	25,000	-
Library	27,286	-	-	-
Weather modification	20,000	18,200	18,200	-
Economic development	-	30,807	132,221	(101,414)
Total Other Agencies	332,286	311,307	412,721	(101,414)
Total general government	4,445,846	4,263,345	5,348,248	(1,084,903)
Public safety:				
County Attorney:				
Personnel services	1,129,800	1,167,855	1,191,689	(23,834)
Contractual services	70,698	96,842	83,586	13,256
Commodities	44,871	48,283	48,500	(217)
Capital outlay	3,739	-	-	-
Total County Attorney	1,249,108	1,312,980	1,323,775	(10,795)
Sheriff:				
Personnel services	4,422,387	4,450,789	4,713,188	(262,399)
Contractual services	393,392	348,377	268,000	80,377
Commodities	623,730	586,289	288,500	297,789
Capital outlay	112,555	596	-	596
Total Sheriff	5,552,064	5,386,051	5,269,688	116,363

FINNEY COUNTY, KANSAS
General Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
(continued)				
Status Offenders Diversion:				
Personnel services	\$ 223,961	\$ 191,668	\$ 294,699	\$ (103,031)
Contractual services	18,821	31,079	20,221	10,858
Commodities	15,053	10,494	17,650	(7,156)
Total Status Offenders Diversion	<u>257,835</u>	<u>233,241</u>	<u>332,570</u>	<u>(99,329)</u>
District Court:				
Contractual services	641,356	659,203	695,000	(35,797)
Commodities	44,271	40,424	21,000	19,424
Capital outlay	25,292	12,854	24,000	(11,146)
Total District Court	<u>710,919</u>	<u>712,481</u>	<u>740,000</u>	<u>(27,519)</u>
25th Judicial District:				
Contractual services	25,952	31,748	38,400	(6,652)
Commodities	13,716	12,145	33,500	(21,355)
Capital outlay	240	14,856	20,000	(5,144)
Total 25th Judicial District	<u>39,908</u>	<u>58,749</u>	<u>91,900</u>	<u>(33,151)</u>
Other Agencies:				
CASA	11,000	10,000	10,000	-
Radio lease	100,496	100,496	100,500	(4)
Total Other Agencies	<u>111,496</u>	<u>110,496</u>	<u>110,500</u>	<u>(4)</u>
Total public safety	<u>7,921,330</u>	<u>7,813,998</u>	<u>7,868,433</u>	<u>(54,435)</u>
Health and sanitation:				
Ambulance	-	-	212,275	(212,275)
Mental health	205,000	186,000	186,000	-
Total health and sanitation	<u>205,000</u>	<u>186,000</u>	<u>398,275</u>	<u>(212,275)</u>
Transfers out:				
Capital Improvement Reserve	567,500	224,093	-	224,093
Employee Benefit	-	100,000	-	100,000
GIS	85,000	80,000	80,000	-
Juvenile Detention Center	444,325	447,000	531,405	(84,405)
Total transfers out	<u>1,096,825</u>	<u>851,093</u>	<u>611,405</u>	<u>239,688</u>
Total expenditures	<u>13,669,001</u>	<u>13,114,436</u>	<u>\$ 14,226,361</u>	<u>\$ (1,111,925)</u>
Receipts under expenditures	<u>\$ (796,547)</u>	<u>\$ (504,365)</u>		

FINNEY COUNTY, KANSAS
 Reconciliation of 2010 Tax Roll
 For the Year Ended December 31, 2011

2010 Tax Roll as Adjusted:		
County Clerk's abstract of taxes levied		\$ 54,876,403
Supplemental tax roll		754,171
2010 taxes added/abated, net change		<u>(122,689)</u>
2010 tax roll as adjusted		<u>\$ 55,507,885</u>
2010 Tax Roll Accounted For:		
2010 current tax collections		\$ 54,550,217
Delinquent taxes:		
Personal property tax warrants	\$ 90,772	
Real estate taxes	<u>866,896</u>	<u>957,668</u>
2010 total tax roll		<u>\$ 55,507,885</u>

FINNEY COUNTY, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Grant Title	Federal CFDA Number	Clusters	Grant Number	Program Award Amount	Disburse- ments/ Expenditures
DEPARTMENT OF AGRICULTURE					
Passed through Kansas Department of Education:					
School Breakfast Program	10.553	A		\$ 11,905	\$ 11,905
National School Lunch Program	10.555	A		19,493	19,493
Passed through State Department of Health and Environment:					
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		2012	522,289	98,776
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		2011	542,139	373,050
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Passed through Kansas Department of Commerce:					
Community Development Block Grant (Note 3)	14.218		86-BF-184	1,131	1,131
DEPARTMENT OF JUSTICE					
Passed through Kansas Juvenile Justice Authority:					
Title V - Delinquency Prevention Program	16.548		STAR-2008-25-01	246,919	57,135
Passed through Kansas Criminal Justice Coordinating Council:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738		12-JAG-06	53,648	14,579
Edward Byrne Memorial Justice Assistance Grant Program	16.738		11-JAG-03	53,929	26,926
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through Kansas Department of Health and Environment:					
Public Health Emergency Preparedness	93.069		2012	33,591	17,871
Public Health Emergency Preparedness	93.069		2011	254,960	34,212
Public Health Emergency Preparedness	93.069		2012	38,615	15,727
Public Health Emergency Preparedness	93.069		2011	57,484	47,982
Family Planning Services	93.217		2012	83,948	34,785
Family Planning Services	93.217		2011	86,047	50,124
Consolidated Health Centers - Migrant Health Centers	93.224			124	124
Universal Newborn Hearing Screening	93.251			3,774	3,774
Immunization Grants	93.268	B	2012	11,862	5,872
Immunization Grants	93.268	B	2011	12,139	6,819
Immunization Grants	93.268	B	2012	9,542	4,426
Immunization Grants	93.268	B	2011	9,542	6,702
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		2012	6,769	6,769
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283			2,008	2,008
Refugee and Entrant Assistance - State Administered Programs	93.566			17,550	17,550
Child Care and Development Block Grant	93.575		2012	18,959	6,920
Child Care and Development Block Grant	93.575		2011	20,182	10,516
Refugee and Entrant Assistance - Discretionary Grants	93.576			6,000	6,000
Medical Assistance Program	93.778			21,660	21,660
Preventive Health and Health Services Block Grant to the States	93.991		2011	6,000	5,525

FINNEY COUNTY, KANSAS
 Schedule of Expenditures of Federal Awards
 For the Year Ended December 31, 2011

Grant Title	Federal CFDA Number	Clusters	Grant Number	Program Award Amount	Disburse- ments/ Expenditures
(continued)					
Maternal and Child Health Services Block Grant to the States	93.994		2012	\$ 62,158	\$ 28,332
Maternal and Child Health Services Block Grant to the States	93.994		2011	62,158	36,678
OFFICE OF NATIONAL DRUG CONTROL POLICY					
Passed through Kansas Bureau of Investigation:					
High Intensity Drug Trafficking Areas Program	95.001		G11MW003A	51,127	18,476
High Intensity Drug Trafficking Areas Program	95.001		G10MW003A	57,127	29,985
DEPARTMENT OF HOMELAND SECURITY					
Passed through Kansas Division of Emergency Management:					
Disaster Grants - Public Assistance	97.036		FEMA-1675-DR		
Hazard Mitigation Grant	97.039		HAZMATIQ		
Hazard Mitigation Grant	97.039		DR-1711-KS	18,750	1,498
Emergency Management Performance Grant	97.042		2011	28,725	28,709
Passed through Kansas Highway Patrol:					
Homeland Security Grant	97.067			4,676	<u>4,676</u>
TOTAL FEDERAL GRANTS					<u>\$ 1,056,715</u>

FINNEY COUNTY, KANSAS
Notes to Schedule of Expenditures of Federal Awards
December 31, 2011

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Finney County, Kansas. The County's reporting entity is defined in Note 1 to the County's statutory basis financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the Schedule.

2. Basis of accounting

The accompanying Schedule of Expenditures of Federal Awards is presented on a basis of accounting which demonstrates compliance with the cash basis and budget laws of Kansas, which is described in Note 1 to the County's statutory basis financial statements. However, no encumbrances are included in the expenditures for federal programs.

3. Community Development Block Grant

Receipts included as program revenues are from payments received on the revolving loan fund originally established through Community Development Block Grant monies. The original program was closed out in previous years.

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SINGLE AUDIT
SECTION



INDEPENDENT AUDITORS' 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

The County Commissioners
Finney County
Garden City, Kansas 67846

We have audited the statutory basis financial statements of Finney County, Kansas, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 21, 2012. The County prepares its financial statements on a basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Finney County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Finney County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as items 2010-1 and 2010-2 that we consider to be significant deficiencies in internal control over financial reporting. 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.

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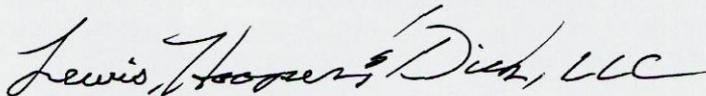
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Finney County's statutory basis financial statements are free of 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.

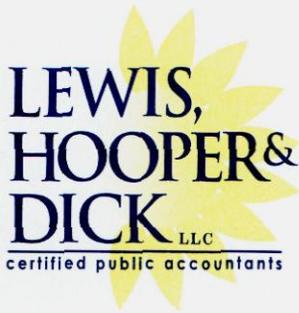
We noted certain matters that we reported to the management of Finney County, Kansas, in a separate letter dated June 21, 2012.

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



LEWIS, HOOPER & DICK, LLC

June 21, 2012



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

The County Commissioners
Finney County
Garden City, Kansas 67846

Compliance

We have audited the compliance of Finney County, Kansas, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. Finney County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Finney County's management. Our responsibility is to express an opinion on Finney County's compliance based on our audit.

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

In our opinion, Finney County, Kansas, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

The management of Finney County, Kansas, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Finney County's internal control over compliance with requirements that could have a direct and material effect on a major federal program as a basis for designing our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Finney County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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



LEWIS, HOOPER & DICK, LLC

June 21, 2012

FINNEY COUNTY, KANSAS
 Schedule of Findings and Questioned Costs
 December 31, 2011

I. SUMMARY OF AUDITORS' RESULTS

A. Financial Statements

- Type of auditors' report issued: Unqualified

- Internal control over financial reporting as reported in the INDEPENDENT AUDITORS' 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:

Material weaknesses identified:	None
Significant deficiencies identified:	Yes

- Noncompliance material to financial statements noted: None

B. Federal Awards

- Internal control over major programs as reported in the INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133:

Material weaknesses identified:	None
Significant deficiencies identified:	None reported

- Type of auditors' report issued on compliance for major programs: Unqualified

- Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133: None

- The programs tested as major programs include:

Program	CFDA	Expenditures
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	\$ 98,776
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	373,050

- Dollar threshold used to distinguish between type A and B programs: \$300,000

- Auditee qualified as low-risk auditee: Yes

FINNEY COUNTY, KANSAS
Schedule of Findings and Questioned Costs
December 31, 2011

II. FINANCIAL STATEMENT FINDINGS

Finding 2010-1

Criteria: A well designed internal control system allows for review and reconciliation in many areas of the accounting and finance functions.

Condition: Control procedures over financial reporting were not functioning as intended.

- Special revenue and grant funds did not agree to the County's general ledger system. Receipts and expenditures were not properly coded to the correct program or if differences were noted, the records were not adjusted until the requested corrections were posted during the audit process.
- Worksheets were prepared to reconcile the tax roll to distributions, but the amounts did not agree. In addition, the 2006 tax account has been carrying a deficit balance due to refunds on tax settlements which were to have been reimbursed to the account in subsequent distributions.

Cause: Proper accounting principles and procedures were not applied and reconciliations were not performed properly or in a timely manner leading to inaccurate reports being prepared.

Effect: Processing errors not resolved timely result in additional work for staff in determining proper reporting and making corrections to the records.

Recommendation: We recommend the County review control procedures over financial reporting including reviewing the financial reports and reconciliations on a regular basis to aid in detecting and correcting errors before the end of the year. In order for all staff to perform their duties in the most efficient manner, the County should ensure the following factors are in place:

- Well defined accounting policies and procedures which are consistently applied by all departments and monitored by management.
- Adequate training for all staff and management.
- Definition or realignment of duties to ensure those employees with the most available time and most suitable skills set are performing each function.
- Reconciliations of the tax roll to collections and distributions are done timely.

Finding 2010-2

Criteria: The Schedule of Expenditure of Federal Awards an entity submits for an audit performed under OMB Circular A-133 should be materially complete and accurate.

Condition: Control procedures over the preparation of the Schedule of Expenditure of Federal Awards were not functioning as planned resulting in an incomplete Schedule.

Cause: One person was not responsible for overseeing all of the federal programs of the County.

Effect: As a result, management did not prepare a SEFA, although grant reports and summaries were provided by the various program directors during the audit process.

FINNEY COUNTY, KANSAS
Schedule of Findings and Questioned Costs
December 31, 2011

II. FINANCIAL STATEMENT FINDINGS (continued)

Finding 2010-2 (continued)

Recommendation: Because federal grants are a significant funding source of the County, we believe the County should designate one person as responsible for all of the federal programs of the County. This individual should monitor grant activity on a more frequent, routine basis; maintain copies of all applications, approvals, budgets, reports and correspondence; and prepare the draft SEFA. Program directors should provide documentation to support the financial reports submitted and these should be verified and maintained by the designated individual who should also be the designated agent signing all reports submitted.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

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June 21, 2012

Finney County, Kansas, respectfully submits the following corrective action plan for the year ended December 31, 2011.

Name and address of independent accounting firm: Lewis, Hooper & Dick, LLC
PO Box 699
Garden City, KS 67846

Audit period: January 1, 2011 through December 31, 2011

The findings from the December 31, 2011, Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the Schedule. Section I of the Schedule, Summary of Auditors' Results, does not include findings and is not addressed.

II. FINANCIAL STATEMENT FINDINGS

Finding 2010-1:

Planned Corrective Action:

The County will review control procedures over financial reporting including reviewing the financial reports and reconciliations on a regular basis to aid in detecting and correcting errors before the end of the year. The County will consider establishing an audit committee to help ensure the following factors are in place:

- Well defined accounting policies and procedures which are consistently applied by all departments and monitored by management.
- Adequate training for all staff and management.
- Definition or realignment of duties to ensure those employees with the most available time and most suitable skills set are performing each function.

Finding 2010-2:

Planned Corrective Action:

The County will designate one person as responsible for all of the federal programs of the County. This individual will monitor grant activity on a more frequent, routine basis; maintain copies of all applications, approvals, budgets, reports and correspondence; and prepare the draft Schedule of Expenditures of Federal Awards. Program directors will be required to provide documentation to support the financial reports submitted and these will be verified and maintained by the designated individual who should also be the designated agent signing all reports submitted.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

Corrective Action Plan
June 21, 2012
Page 2

IV. STATUS OF CORRECTIVE ACTIONS ON PRIOR FINDINGS

Finding 2010-1:

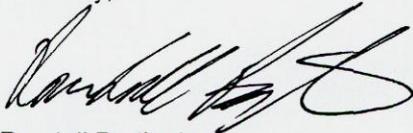
Continued improvement is needed as indicated in Part II above.

Finding 2010-2:

Individuals involved in the grant accounting and management were provided training to ensure they have the experience, knowledge and commitment to properly manage the grants. However, continued improvement is needed as indicated in Part II above.

If there are any questions regarding this plan, please call Randall Partington at 620-272-3542.

Sincerely,

A handwritten signature in black ink, appearing to read "Randall Partington". The signature is stylized and cursive.

Randall Partington
County Administrator