

WASHINGTON COUNTY, KANSAS

DECEMBER 31, 2010

WASHINGTON COUNTY, KANSAS

TABLE OF CONTENTS
December 31, 2010

INDEPENDENT AUDITORS' REPORT.....	1
STATEMENT 1	
Summary of Cash Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis.....	2-3
STATEMENT 2	
Summary of Expenditures - Regulatory Basis (Actual and Budget).....	4
STATEMENT 3	
Statement of Cash Receipts and Expenditures - Regulatory Basis.....	5-27
General Fund.....	5-11
Special Revenue Funds (Budgeted and Nonbudgeted)	
Road and Bridge Fund.....	12
Special Bridge Fund.....	13
Special Road and Bridge Machinery Fund (Nonbudgeted).....	14
Vegetation Management Fund.....	15
Noxious Weed Fund.....	16
County Health Fund.....	17
Solid Waste Fund.....	18
Emergency 911 Fund.....	19
Wireless 911 Fund (Nonbudgeted).....	20
Multi-Use Equipment Fund (Nonbudgeted).....	21
Multi-Use Capital Improvement Fund (Nonbudgeted).....	22
Register of Deeds Technology Fund (Nonbudgeted).....	23
Treasurer's Auto Special Fund (Nonbudgeted).....	24
Special Grant Fund (Nonbudgeted).....	25
Debt Service Fund	
Bond and Interest Fund.....	26
Fiduciary Fund	
Airport Memorial Fund (Nonbudgeted).....	27
STATEMENT 4	
Statement of Cash Receipts and Expenditures - Regulatory Basis	
Washington County Public Building Commission - Component Unit.....	28
STATEMENT 5	
Statement of Cash Receipts and Disbursements - Regulatory Basis	
Agency Funds.....	29
NOTES TO THE FINANCIAL STATEMENTS.....	30-39



INDEPENDENT AUDITORS' REPORT

**Board of County Commissioners
Washington County, Kansas
Washington, Kansas**

We have audited the accompanying financial statements of Washington County, Kansas, as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year partial comparative financial information has been derived from the County's 2009 financial statements and, in our report dated October 6, 2010, we expressed an unqualified opinion on the regulatory basis financial statements taken as a whole.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit Guide. Those standards and guidance 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 more fully in note 1, the County prepared its financial statements on a prescribed 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. The effect 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 discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County as of December 31, 2010, or the respective changes in financial position, for the year then ended.

However, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of Washington County, Kansas as of December 31, 2010, and its cash receipts, expenditures, and budgetary results for the year then ended on the basis of accounting described in note 1.

Lindburg Vogel Pierce Faris

Certified Public Accountants

**Hutchinson, Kansas
September 12, 2011**

WASHINGTON COUNTY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS
For the Year Ended December 31, 2010

Statement 1
Page 1 of 2

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS							
General fund	\$ 578,395	\$ -	\$ 4,324,473	\$ 4,508,246	\$ 394,622	\$ 43,169	\$ 437,791
Special revenue funds							
Road and bridge	58,786	-	2,227,185	2,118,877	167,094	41,747	208,841
Special bridge	260,666	-	441,004	325,435	376,235	41,143	417,378
Special road and bridge machinery	291,586	-	154,000	155,316	290,270	-	290,270
Vegetation management	4,278	-	32,152	35,059	1,371	4,814	6,185
Noxious weed	983	-	243,230	244,213	-	643	643
County health	94,274	-	484,937	444,988	134,223	7,635	141,858
Solid waste	-	-	-	-	-	-	-
Emergency 911	55,865	-	23,242	32,631	46,476	1,313	47,789
Wireless 911	48,581	-	38,949	27,582	59,948	-	59,948
Multi-use equipment	137,939	-	78,368	60,405	155,902	-	155,902
Multi-use capital improvement	547,836	-	63,861	241,387	370,310	15,232	385,542
Register of Deeds technology	20,596	-	7,064	9,385	18,275	-	18,275
Treasurer's auto special	28,002	-	62,884	68,082	22,804	-	22,804
Special grant	1,644	-	-	-	1,644	-	1,644
Debt services fund							
Bond and interest	12,070	-	66,851	66,494	12,427	-	12,427
Fiduciary funds							
Airport memorial	15,226	-	3,900	-	19,126	-	19,126
TOTAL PRIMARY GOVERNMENT	2,156,727	-	8,252,100	8,338,100	2,070,727	155,696	2,226,423
COMPONENT UNIT							
Washington County Public Building Commission	-	-	95,752	95,752	-	-	-
TOTAL REPORTING ENTITY (excluding agency funds)	\$ 2,156,727	\$ -	\$ 8,347,852	\$ 8,433,852	\$ 2,070,727	\$ 155,696	\$ 2,226,423

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

WASHINGTON COUNTY, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -
REGULATORY BASIS

For the Year Ended December 31, 2010

Statement 1
Page 2 of 2

COMPOSITION OF CASH

First National Bank - Washington, Kansas	\$ 7,430,339
First National Bank - Washington, Kansas - sheriff	391
First National Bank - Washington, Kansas - jail	11,421
First National Bank - Washington, Kansas - County Attorney	158
First National Bank - Washington, Kansas - emergency management	45
United Bank & Trust - Washington, Kansas - noxious weed-chemical counter recycle	169
First National Bank - Washington, Kansas - District Court	52,339
Cash on hand - District Court	50
Cash on hand	48,201
First National Bank - Washington, Kansas - certificate of deposit	100,000
United Bank & Trust - Marysville, Kansas - certificate of deposit	300,000
Citizens State Bank - Marysville, Kansas - certificate of deposit	100,000
Citizens State Bank - Hanover, Kansas - certificate of deposit	750,000
Signature Bank - Haddam, Kansas - certificate of deposit	100,000
The Bank of Palmer - Palmer, Kansas - certificate of deposit	<u>200,000</u>
 TOTAL COMPOSITION OF CASH	 9,093,113
 AGENCY FUNDS PER STATEMENT 5	 <u>(6,866,690)</u>
 TOTAL PRIMARY GOVERNMENT	 2,226,423
 COMPONENT UNIT	 <u>-</u>
 TOTAL REPORTING ENTITY (excluding agency funds)	 <u>\$ 2,226,423</u>

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

WASHINGTON COUNTY, KANSAS
 SUMMARY OF EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GOVERNMENTAL TYPE FUNDS					
General fund	\$ 4,672,300	-	\$ 4,672,300	\$ 4,508,246	\$ (164,054)
Special revenue funds					
Road and bridge	2,000,000	225,969	2,225,969	2,118,877	(107,092)
Special bridge	412,128	-	412,128	325,435	(86,693)
Vegetation management	32,067	10,652	42,719	35,059	(7,660)
Noxious weed	314,000	-	314,000	244,213	(69,787)
County health	389,000	127,864	516,864	444,988	(71,876)
Emergency 911	55,000	-	55,000	32,631	(22,369)
Debt service fund					
Bond and interest	67,494	-	67,494	66,494	(1,000)

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

Statement 2

WASHINGTON COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010

(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 1 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Taxes	\$ 3,242,444	\$ 3,512,030	\$ 3,447,765	\$ 64,265
Intergovernmental	8,169	9,424	8,588	836
Licenses, fees, and permits	261,376	292,880	443,100	(150,220)
Use of money and property	54,595	40,715	51,700	(10,985)
Transfers in	98,876	124,683	13,000	111,683
Reimbursements and other	397,403	344,741	327,500	17,241
TOTAL CASH RECEIPTS	4,062,863	4,324,473	\$ 4,291,653	\$ 32,820
EXPENDITURES				
County Commission	52,188	56,291	\$ 55,000	\$ 1,291
County Clerk	87,020	89,714	97,000	(7,286)
County Treasurer	82,072	83,504	87,000	(3,496)
County Attorney	81,805	87,316	88,000	(684)
Register of Deeds	61,407	63,182	65,000	(1,818)
Clerk of district court	46,692	68,173	50,000	18,173
Courthouse (general expense)	206,409	244,923	331,400	(86,477)
Appraiser	134,319	112,738	133,000	(20,262)
Jail	402,241	443,442	450,000	(6,558)
Emergency preparedness	35,028	35,065	37,000	(1,935)
Communications	179,452	184,210	183,000	1,210
Janitor	44,568	38,414	46,000	(7,586)
Election	46,372	60,226	81,000	(20,774)
Economic development	51,838	49,342	53,000	(3,658)
Airport maintenance	54,792	26,156	11,000	15,156
Sheriff	331,574	328,375	387,000	(58,625)
Coroner	6,504	5,987	6,000	(13)
Employee benefits	1,414,962	1,527,803	1,577,000	(49,197)
Alcohol and drug	2,639	3,854	6,000	(2,146)
Tourism	16,442	16,944	17,000	(56)
Solid waste	352,030	426,187	358,000	68,187
Other	549,700	556,400	553,900	2,500
TOTAL EXPENDITURES	4,240,054	4,508,246	\$ 4,672,300	\$ (164,054)
RECEIPTS OVER (UNDER) EXPENDITURES	(177,191)	(183,773)		
UNENCUMBERED CASH, BEGINNING	755,586	578,395		
UNENCUMBERED CASH, ENDING	\$ 578,395	\$ 394,622		

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

WASHINGTON COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)For the Year Ended December 31, 2010
(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

DETAIL OF CASH RECEIPTS

Statement 3
Page 2 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
TAXES				
Current ad valorem taxes	\$ 2,932,212	\$ 3,187,532	\$ 3,126,807	\$ 60,725
Neighborhood revitalization and business refund	(69,946)	(65,558)	(63,165)	(2,393)
Delinquent tax	15,977	16,710	8,000	8,710
Intangible tax	36,309	37,531	35,465	2,066
Motor vehicle tax	327,892	335,815	340,658	(4,843)
TOTAL TAXES	3,242,444	3,512,030	3,447,765	64,265
INTERGOVERNMENTAL				
Local alcoholic liquor	8,169	9,424	8,588	836
LICENSES, FEES, AND PERMITS				
Redemption charges	16,832	18,447	18,500	(53)
Mortgage registration fees	42,224	43,934	45,000	(1,066)
Clerk of district court fees	19,394	13,380	20,000	(6,620)
Recycling income	18,894	52,888	-	52,888
VIN's	-	4,505	-	4,505
Solid waste fees	152,044	148,236	347,600	(199,364)
Officers' fees	11,988	11,490	12,000	(510)
TOTAL LICENSES, FEES, AND PERMITS	261,376	292,880	443,100	(150,220)
USE OF MONEY AND PROPERTY				
Interest on investments	52,018	38,012	50,000	(11,988)
Rent	1,550	1,750	1,700	50
Other interest	1,027	953	-	953
TOTAL USE OF MONEY AND PROPERTY	54,595	40,715	51,700	(10,985)
TRANSFERS IN				
Operating transfers from solid waste	75,824	-	-	-
Operating transfers from road and bridge	-	100,000	-	100,000
Operating transfer from special auto	23,052	24,683	13,000	11,683
TOTAL TRANSFERS IN	98,876	124,683	13,000	111,683
REIMBURSEMENTS AND OTHER				
Reimbursements	27,962	69,448	20,000	49,448
Contract law	15,875	26,280	20,000	6,280
Solid waste grant	46,246	49,134	-	49,134
Jail receipts	278,111	180,046	262,500	(82,454)
Collections	29,209	19,833	25,000	(5,167)
TOTAL REIMBURSEMENTS AND OTHER	397,403	344,741	327,500	17,241
TOTAL CASH RECEIPTS	\$ 4,062,863	\$ 4,324,473	\$ 4,291,653	\$ 32,820

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

WASHINGTON COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010

(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

DETAIL OF EXPENDITURES

Statement 3

Page 3 of 23

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
COUNTY COMMISSION				
Personal services	\$ 47,979	\$ 48,351	\$ 49,000	\$ (649)
Contractual services	4,121	7,863	3,000	4,863
Commodities	88	77	3,000	(2,923)
TOTAL COUNTY COMMISSION	52,188	56,291	55,000	1,291
COUNTY CLERK				
Personal services	77,240	79,049	82,000	(2,951)
Contractual services	4,462	7,860	11,000	(3,140)
Commodities	2,484	2,805	4,000	(1,195)
Capital outlay	834	-	-	-
Transfer to equipment reserve	2,000	-	-	-
TOTAL COUNTY CLERK	87,020	89,714	97,000	(7,286)
COUNTY TREASURER				
Personal services	70,905	74,241	78,000	(3,759)
Contractual services	5,102	6,750	4,000	2,750
Commodities	1,065	2,513	5,000	(2,487)
Transfer to equipment reserve	5,000	-	-	-
TOTAL COUNTY TREASURER	82,072	83,504	87,000	(3,496)
COUNTY ATTORNEY				
Personal services	69,589	72,414	75,000	(2,586)
Contractual services	8,515	8,411	10,000	(1,589)
Commodities	1,701	1,432	2,000	(568)
Capital outlay	-	5,059	1,000	4,059
Transfer to equipment reserve	2,000	-	-	-
TOTAL COUNTY ATTORNEY	81,805	87,316	88,000	(684)
REGISTER OF DEEDS				
Personal services	56,975	58,251	60,000	(1,749)
Contractual services	2,806	3,232	3,000	232
Commodities	1,626	1,493	2,000	(507)
Capital outlay	-	206	-	206
TOTAL REGISTER OF DEEDS	61,407	63,182	65,000	(1,818)

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

WASHINGTON COUNTY, KANSAS

GENERAL FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

DETAIL OF EXPENDITURES

Statement 3
Page 4 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CLERK OF DISTRICT COURT				
Contractual services	\$ 42,557	\$ 66,534	\$ 44,000	\$ 22,534
Commodities	4,135	1,639	3,000	(1,361)
Capital outlay	-	-	3,000	(3,000)
TOTAL CLERK OF DISTRICT COURT	46,692	68,173	50,000	18,173
COURTHOUSE (general expense)				
Personal services	-	-	-	-
Contractual services	167,377	234,599	245,000	(10,401)
Commodities	24,032	10,024	56,400	(46,376)
Capital outlay	-	300	30,000	(29,700)
Transfer to capital improvement	15,000	-	-	-
TOTAL COURTHOUSE (general expense)	206,409	244,923	331,400	(86,477)
APPRAISER				
Personal services	108,108	97,025	113,000	(15,975)
Contractual services	21,864	9,108	9,000	108
Commodities	4,347	4,059	6,000	(1,941)
Capital outlay	-	2,546	5,000	(2,454)
TOTAL APPRAISER	134,319	112,738	133,000	(20,262)
JAIL				
Personal services	180,308	180,528	182,000	(1,472)
Contractual services	197,325	208,679	147,750	60,929
Commodities	24,608	19,235	120,250	(101,015)
Capital outlay	-	-	-	-
Transfer to capital improvement	-	35,000	-	35,000
TOTAL JAIL	402,241	443,442	450,000	(6,558)
EMERGENCY PREPAREDNESS				
Personal services	27,396	27,873	29,000	(1,127)
Contractual services	4,974	3,988	5,000	(1,012)
Commodities	2,658	2,865	3,000	(135)
Capital outlay	-	339	-	339
TOTAL EMERGENCY PREPAREDNESS	35,028	35,065	37,000	(1,935)

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

WASHINGTON COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010
(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

DETAIL OF EXPENDITURES

Statement 3
Page 5 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
COMMUNICATIONS				
Personal services	\$ 159,562	\$ 171,098	\$ 160,000	\$ 11,098
Contractual services	12,348	12,201	20,000	(7,799)
Commodities	1,542	911	3,000	(2,089)
Transfer to equipment reserve	6,000	-	-	-
TOTAL COMMUNICATIONS	179,452	184,210	183,000	1,210
JANITOR				
Personal services	29,873	30,127	31,000	(873)
Contractual services	2,964	1,320	3,000	(1,680)
Commodities	10,231	6,145	12,000	(5,855)
Capital outlay	-	822	-	822
Transfer to equipment reserve	1,500	-	-	-
TOTAL JANITOR	44,568	38,414	46,000	(7,586)
ELECTION				
Personal services	33,510	34,398	44,000	(9,602)
Contractual services	11,723	21,306	12,000	9,306
Commodities	1,139	4,522	25,000	(20,478)
TOTAL ELECTION	46,372	60,226	81,000	(20,774)
ECONOMIC DEVELOPMENT				
Personal services	44,616	44,606	46,000	(1,394)
Contractual services	5,025	3,163	5,000	(1,837)
Commodities	697	1,573	2,000	(427)
Transfer to equipment reserve	1,500	-	-	-
TOTAL ECONOMIC DEVELOPMENT	51,838	49,342	53,000	(3,658)

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

WASHINGTON COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010
(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

DETAIL OF EXPENDITURES

Statement 3
Page 6 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
AIRPORT MAINTENANCE				
Contractual services	\$ 45,753	\$ 24,476	\$ 6,000	\$ 18,476
Commodities	9,039	1,680	5,000	(3,320)
TOTAL AIRPORT MAINTENANCE	54,792	26,156	11,000	15,156
SHERIFF				
Personal services	200,390	187,039	250,000	(62,961)
Contractual services	80,202	75,220	62,000	13,220
Commodities	18,276	15,616	45,000	(29,384)
Capital outlay	12,706	13,750	30,000	(16,250)
Transfer to equipment reserve	20,000	36,750	-	36,750
TOTAL SHERIFF	331,574	328,375	387,000	(58,625)
CORONER				
Contractual services	6,504	5,987	6,000	(13)
EMPLOYEE BENEFITS				
Social Security	160,797	160,211	168,000	(7,789)
Retirement	109,746	140,277	115,000	25,277
Medical insurance	1,066,179	1,152,405	1,210,000	(57,595)
Advance insurance	12,406	13,531	15,000	(1,469)
Kansas U.E.	1,825	1,797	9,000	(7,203)
Workman's compensation	64,009	59,582	60,000	(418)
TOTAL EMPLOYEE BENEFITS	1,414,962	1,527,803	1,577,000	(49,197)
ALCOHOL AND DRUG				
Personal services	-	1,053	2,000	(947)
Contractual services	547	1,735	3,000	(1,265)
Commodities	2,092	1,066	1,000	66
TOTAL ALCOHOL AND DRUG	2,639	3,854	6,000	(2,146)

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

WASHINGTON COUNTY, KANSAS

GENERAL FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010
(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

DETAIL OF EXPENDITURES

Statement 3
Page 7 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
TOURISM				
Personal services	\$ 10,144	\$ 10,144	\$ 10,500	\$ (356)
Contractual services	6,093	4,235	4,000	235
Commodities	205	1,426	2,500	(1,074)
Capital outlay	-	1,139	-	1,139
TOTAL TOURISM	16,442	16,944	17,000	(56)
SOLID WASTE				
Personal services	139,929	145,550	150,000	(4,450)
Contractual services	156,732	183,187	160,000	23,187
Commodities	40,369	32,693	40,000	(7,307)
Capital outlay	-	64,757	-	64,757
Household hazardous waste	-	-	8,000	(8,000)
Transfer to capital outlay improvement	5,000	-	-	-
Transfer to equipment reserve	10,000	-	-	-
TOTAL SOLID WASTE	352,030	426,187	358,000	68,187
OTHER				
Senior citizens	75,000	75,000	75,000	-
Conservation district	25,000	25,000	25,000	-
Historical museum	15,000	15,000	15,000	-
County hospital maintenance	204,000	204,000	204,000	-
County fair	65,000	65,000	65,000	-
Pawnee mental health	30,000	30,000	30,000	-
Twin valley development services	48,000	48,000	48,000	-
North central regional planning	3,500	3,500	3,500	-
Three rivers	6,000	6,000	6,000	-
NEK-AAA	1,200	1,200	1,200	-
NCK juvenile detention	-	3,000	-	3,000
RC&D	1,500	1,200	1,200	-
Ambulance contract	75,500	75,500	76,000	(500)
Rural lakes regional council	-	4,000	4,000	-
TOTAL OTHER	549,700	556,400	553,900	2,500
TOTAL EXPENDITURES	\$ 4,240,054	\$ 4,508,246	\$ 4,672,300	\$ (164,054)

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

WASHINGTON COUNTY, KANSAS

ROAD AND BRIDGE FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010

(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 8 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad valorem property tax	\$ 1,593,124	\$ 1,400,626	\$ 1,373,839	\$ 26,787
Delinquent tax	7,718	8,022	3,500	4,522
Motor vehicle tax	161,549	178,968	186,005	(7,037)
Reimbursements	169,898	315,969	90,000	225,969
Special city and county highway fund	332,745	352,599	377,435	(24,836)
Neighborhood revitalization and business refund	(38,192)	(28,999)	(30,779)	1,780
TOTAL CASH RECEIPTS	2,226,842	2,227,185	\$ 2,000,000	\$ 227,185
EXPENDITURES				
Personal services	582,442	568,642	\$ 640,000	\$ (71,358)
Contractual services	153,002	164,682	300,000	(135,318)
Commodities	1,015,230	1,147,589	1,060,000	87,589
Capital outlay	51,486	5,791	-	5,791
Reimbursed expenditures	(6,730)	(21,827)	-	(21,827)
Transfer to general fund	300,000	100,000	-	100,000
Transfer to machinery and equipment	175,000	154,000	-	154,000
	2,270,430	2,118,877	2,000,000	118,877
Adjustments for qualifying budget credits	-	-	225,969	(225,969)
TOTAL EXPENDITURES	2,270,430	2,118,877	\$ 2,225,969	\$ (107,092)
RECEIPTS OVER (UNDER) EXPENDITURES	(43,588)	108,308		
UNENCUMBERED CASH, BEGINNING	102,374	58,786		
UNENCUMBERED CASH, ENDING	<u>\$ 58,786</u>	<u>\$ 167,094</u>		

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

WASHINGTON COUNTY, KANSAS

SPECIAL BRIDGE FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 9 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Local sales tax	\$ 335,330	\$ 418,067	\$ 315,000	\$ 103,067
Miscellaneous	19,145	22,937	-	22,937
TOTAL CASH RECEIPTS	354,475	441,004	\$ 315,000	\$ 126,004
EXPENDITURES				
Contractual services	99,257	284,871	\$ 347,000	\$ (62,129)
Commodities	-	40,564	65,128	(24,564)
Transfer to multi use capital improvement	109,680	-	-	-
TOTAL EXPENDITURES	208,937	325,435	\$ 412,128	\$ (86,693)
RECEIPTS OVER (UNDER) EXPENDITURES	145,538	115,569		
UNENCUMBERED CASH, BEGINNING	115,128	260,666		
UNENCUMBERED CASH, ENDING	\$ 260,666	\$ 376,235		

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

WASHINGTON COUNTY, KANSAS

SPECIAL ROAD AND BRIDGE MACHINERY FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 10 of 23

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
CASH RECEIPTS		
Transfer from road and bridge	\$ 175,000	\$ 154,000
EXPENDITURES		
Equipment purchases	<u>65,671</u>	<u>155,316</u>
RECEIPTS OVER (UNDER) EXPENDITURES	109,329	(1,316)
UNENCUMBERED CASH, BEGINNING	<u>182,257</u>	<u>291,586</u>
UNENCUMBERED CASH, ENDING	<u>\$ 291,586</u>	<u>\$ 290,270</u>

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

WASHINGTON COUNTY, KANSAS
 VEGETATION MANAGEMENT FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 11 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Reimbursements	\$ 37,706	\$ 32,152	\$ 21,500	\$ 10,652
Transfers from noxious weed	-	-	-	-
TOTAL CASH RECEIPTS	<u>37,706</u>	<u>32,152</u>	<u>\$ 21,500</u>	<u>\$ 10,652</u>
EXPENDITURES				
Commodities	34,740	35,059	\$ 32,067	\$ 2,992
Transfer to noxious weed fund	5,000	-	-	-
	39,740	35,059	32,067	2,992
Adjustments for qualifying budget credits	-	-	10,652	(10,652)
TOTAL EXPENDITURES	<u>39,740</u>	<u>35,059</u>	<u>\$ 42,719</u>	<u>\$ (7,660)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(2,034)	(2,907)		
UNENCUMBERED CASH, BEGINNING	<u>6,312</u>	<u>4,278</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 4,278</u>	<u>\$ 1,371</u>		

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

WASHINGTON COUNTY, KANSAS

NOXIOUS WEED FUND
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2010

(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 12 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad valorem property tax	\$ 89,586	\$ 104,627	\$ 102,626	\$ 2,001
Delinquent tax	516	534	400	134
Motor vehicle tax	10,603	10,414	10,385	29
Chemical sales and contract services	147,825	129,803	205,000	(75,197)
Neighborhood revitalization and business refund	(2,133)	(2,148)	(4,500)	2,352
Transfer from vegetation management	5,000	-	-	-
TOTAL CASH RECEIPTS	251,397	243,230	\$ 313,911	\$ (70,681)
EXPENDITURES				
Personal services	86,501	73,231	\$ 90,000	\$ (16,769)
Contractual	49,019	12,317	30,000	(17,683)
Commodities	115,433	122,963	190,000	(67,037)
Capital outlay	-	-	4,000	(4,000)
Transfers to multi-use equipment and improvement funds	-	35,702	-	35,702
TOTAL EXPENDITURES	250,953	244,213	\$ 314,000	\$ (69,787)
RECEIPTS OVER (UNDER) EXPENDITURES	444	(983)		
UNENCUMBERED CASH, BEGINNING	539	983		
UNENCUMBERED CASH, ENDING	<u>\$ 983</u>	<u>\$ -</u>		

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

WASHINGTON COUNTY, KANSAS

COUNTY HEALTH FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 13 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad valorem property tax	\$ 78,517	\$ 78,582	\$ 77,052	\$ 1,530
Delinquent tax	368	397	100	297
Motor vehicle tax	7,323	9,266	9,165	101
Neighborhood revitalization and business refund	(1,882)	(1,620)	(1,517)	(103)
Transfer from multi-use equipment fund	-	-	-	-
Reimbursements and contract	338,605	398,312	270,448	127,864
TOTAL CASH RECEIPTS	422,931	484,937	\$ 355,248	\$ 129,689
EXPENDITURES				
Personal services	205,148	208,374	\$ 208,000	\$ 374
Contractual services	108,696	92,641	107,000	(14,359)
Commodities	71,874	104,408	74,000	30,408
Capital outlay	3,379	14,565	-	14,565
Transfer to multi-use equipment and improvement funds	-	25,000	-	25,000
	389,097	444,988	389,000	55,988
Adjustments for qualifying budget credits	-	-	127,864	(127,864)
TOTAL EXPENDITURES	389,097	444,988	\$ 516,864	\$ (71,876)
RECEIPTS OVER (UNDER) EXPENDITURES	33,834	39,949		
UNENCUMBERED CASH, BEGINNING	60,440	94,274		
UNENCUMBERED CASH, ENDING	<u>\$ 94,274</u>	<u>\$ 134,223</u>		

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

WASHINGTON COUNTY, KANSAS

SOLID WASTE FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 14 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Delinquent tax	\$ -	\$ -	\$ -	\$ -
Other reimbursements and grants	-	-	-	-
TOTAL CASH RECEIPTS	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Transfers to general fund	75,824	-	\$ -	\$ -
Transfer to multi-use equipment and improvement funds	-	-	-	-
TOTAL EXPENDITURES	<u>75,824</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(75,824)	-		
UNENCUMBERED CASH, BEGINNING	<u>75,824</u>	<u>-</u>		
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ -</u>		

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

WASHINGTON COUNTY, KANSAS

EMERGENCY 911 FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 15 of 23

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
CASH RECEIPTS				
911 fees	\$ 25,626	\$ 23,068	\$ 26,153	\$ (3,085)
Interest income	367	174	-	174
TOTAL CASH RECEIPTS	<u>25,993</u>	<u>23,242</u>	<u>\$ 26,153</u>	<u>\$ (2,911)</u>
EXPENDITURES				
Contractual services	26,225	32,631	\$ 31,500	\$ 1,131
Commodities	-	-	23,500	(23,500)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>26,225</u>	<u>32,631</u>	<u>\$ 55,000</u>	<u>\$ (22,369)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(232)	(9,389)		
UNENCUMBERED CASH, BEGINNING	<u>56,097</u>	<u>55,865</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 55,865</u>	<u>\$ 46,476</u>		

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

WASHINGTON COUNTY, KANSAS

WIRELESS 911 FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 16 of 23

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
CASH RECEIPTS		
911 fees	\$ 10,445	\$ 21,894
Grant	187,365	16,889
Interest income	298	166
	<u>198,108</u>	<u>38,949</u>
TOTAL CASH RECEIPTS		
EXPENDITURES		
Contractual services	196,528	27,582
Capital outlay	-	-
	<u>196,528</u>	<u>27,582</u>
TOTAL EXPENDITURES		
RECEIPTS OVER (UNDER) EXPENDITURES	1,580	11,367
UNENCUMBERED CASH, BEGINNING	<u>47,001</u>	<u>48,581</u>
UNENCUMBERED CASH, ENDING	<u>\$ 48,581</u>	<u>\$ 59,948</u>

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

WASHINGTON COUNTY, KANSAS

MULTI-USE EQUIPMENT FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 17 of 23

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
CASH RECEIPTS		
Operating transfers in	\$ 48,000	\$ 72,452
Miscellaneous	<u>1,762</u>	<u>5,916</u>
TOTAL CASH RECEIPTS	<u>49,762</u>	<u>78,368</u>
EXPENDITURES		
Capital outlay	25,783	56,544
Operating transfers out	<u>13,686</u>	<u>3,861</u>
TOTAL EXPENDITURES	<u>39,469</u>	<u>60,405</u>
RECEIPTS OVER (UNDER) EXPENDITURES	10,293	17,963
UNENCUMBERED CASH, BEGINNING	<u>127,646</u>	<u>137,939</u>
UNENCUMBERED CASH, ENDING	<u>\$ 137,939</u>	<u>\$ 155,902</u>

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

WASHINGTON COUNTY, KANSAS

MULTI-USE CAPITAL IMPROVEMENT FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 18 of 23

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
CASH RECEIPTS		
Operating transfers in	\$ 429,680	\$ 63,861
EXPENDITURES		
Capital outlay	<u>192,092</u>	<u>241,387</u>
RECEIPTS OVER (UNDER) EXPENDITURES	237,588	(177,526)
UNENCUMBERED CASH, BEGINNING	<u>310,248</u>	<u>547,836</u>
UNENCUMBERED CASH, ENDING	<u>\$ 547,836</u>	<u>\$ 370,310</u>

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

WASHINGTON COUNTY, KANSAS

REGISTER OF DEEDS TECHNOLOGY FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 19 of 23

	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
CASH RECEIPTS		
Transfer from multi-use equipment	\$ 13,686	\$ -
Register of Deeds technology fees	<u>6,910</u>	<u>7,064</u>
TOTAL CASH RECEIPTS	20,596	7,064
EXPENDITURES		
Capital outlay	<u>-</u>	<u>9,385</u>
RECEIPTS OVER (UNDER) EXPENDITURES	20,596	(2,321)
UNENCUMBERED CASH, BEGINNING	<u>-</u>	<u>20,596</u>
UNENCUMBERED CASH, ENDING	<u>\$ 20,596</u>	<u>\$ 18,275</u>

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

WASHINGTON COUNTY, KANSAS

TREASURER'S AUTO SPECIAL FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 20 of 23

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
CASH RECEIPTS		
Fees	\$ 62,291	\$ 62,884
EXPENDITURES		
Personal services	23,627	32,833
Contractual services	12,978	5,451
Commodities	5,415	5,115
Transfer to County general	<u>23,052</u>	<u>24,683</u>
TOTAL EXPENDITURES	<u>65,072</u>	<u>68,082</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(2,781)	(5,198)
UNENCUMBERED CASH, BEGINNING	<u>30,783</u>	<u>28,002</u>
UNENCUMBERED CASH, ENDING	<u>\$ 28,002</u>	<u>\$ 22,804</u>

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

WASHINGTON COUNTY, KANSAS

SPECIAL GRANT FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 21 of 23

	Prior Year Actual	Current Year Actual
CASH RECEIPTS	\$ -	\$ -
EXPENDITURES		
Contractual services	-	-
RECEIPTS OVER (UNDER) EXPENDITURES	-	-
UNENCUMBERED CASH, BEGINNING	1,644	1,644
UNENCUMBERED CASH, ENDING	\$ 1,644	\$ 1,644

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

WASHINGTON COUNTY, KANSAS

BOND AND INTEREST FUND
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
 Page 22 of 23

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
CASH RECEIPTS				
Ad valorem property tax	\$ 49,908	\$ 58,159	\$ 56,997	\$ 1,162
Delinquent tax	759	465	400	65
Motor vehicle tax	17,004	9,419	5,593	3,826
Neighborhood revitalization and business refund	(1,148)	(1,192)	(925)	(267)
TOTAL CASH RECEIPTS	66,523	66,851	\$ 62,065	\$ 4,786
EXPENDITURES				
Bond and note principal	55,000	55,000	\$ 55,000	\$ -
Bond and note interest	13,144	11,494	11,494	-
Other	-	-	1,000	(1,000)
TOTAL EXPENDITURES	68,144	66,494	\$ 67,494	\$ (1,000)
RECEIPTS OVER (UNDER) EXPENDITURES	(1,621)	357		
UNENCUMBERED CASH, BEGINNING	13,691	12,070		
UNENCUMBERED CASH, ENDING	\$ 12,070	\$ 12,427		

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

WASHINGTON COUNTY, KANSAS

AIRPORT MEMORIAL FUND (NONBUDGETED)
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

Statement 3
Page 23 of 23

	Prior Year Actual	Current Year Actual
CASH RECEIPTS	\$ 15,226	\$ 3,900
EXPENDITURES		
Contractual services	-	-
RECEIPTS OVER (UNDER) EXPENDITURES	15,226	3,900
UNENCUMBERED CASH, BEGINNING	-	15,226
UNENCUMBERED CASH, ENDING	\$ 15,226	\$ 19,126

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

WASHINGTON COUNTY, KANSAS

WASHINGTON COUNTY PUBLIC BUILDING COMMISSION - COMPONENT UNIT
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2010

(With Comparative Actual Totals For the Prior Year Ended December 31, 2009)

	Statement 4	
	Prior Year Actual	Current Year Actual
	<u> </u>	<u> </u>
CASH RECEIPTS		
Rent from Washington County	\$ 96,303	\$ 95,752
Fees received	1,109	-
	<u>97,412</u>	<u>95,752</u>
TOTAL CASH RECEIPTS		
EXPENDITURES		
Bond principal	45,000	45,000
Bond interest	51,303	49,502
Fees	1,250	1,250
	<u>97,553</u>	<u>95,752</u>
TOTAL EXPENDITURES		
RECEIPTS OVER (UNDER) EXPENDITURES	(141)	-
UNENCUMBERED CASH, BEGINNING	<u>141</u>	<u>-</u>
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ -</u>

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

WASHINGTON COUNTY, KANSAS

AGENCY FUNDS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS - REGULATORY BASIS
 For the Year Ended December 31, 2010

Statement 5

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
DISTRIBUTABLE FUNDS				
Register of Deeds	\$ -	\$ 64,995	\$ 64,995	\$ -
District court	21,022	340,122	308,755	52,389
Sheriff	391	-	-	391
Jail	9,087	35,785	33,451	11,421
Emergency management	45	-	-	45
Noxious weed - chemical container recycling	198	333	362	169
County Attorney	544	1,621	2,007	158
Game licenses	681	22,848	22,536	993
Tourist and promotion	3,131	8,647	6,484	5,294
Aflac holding account	268	24,358	24,719	(93)
Strays	-	714	714	-
CMB stamps	50	25	75	-
Payroll clearing	485	879,716	879,733	468
Attorney special	-	3,644	1,750	1,894
Prosecuting Attorney	12,894	2,473	250	15,117
Current tax	6,313,835	10,288,293	10,128,405	6,473,723
Delinquent real estate tax	14,093	69,594	49,964	33,723
Delinquent personal tax	-	6,530	6,530	-
Special city/county highway tax	-	387,164	387,164	-
Comp use and sales tax	17,895	364,454	343,519	38,830
Motor vehicle tax	206,458	1,422,625	1,403,210	225,873
CERT grant	-	9,939	3,970	5,969
Drivers license fees	422	19,414	19,510	326
STATE FUNDS				
Educational building	-	60,630	60,630	-
Institutional	-	30,315	30,315	-
General	-	4	4	-
Motor vehicle tax	-	10,395	10,395	-
SUBDIVISION FUNDS				
School districts	-	3,221,487	3,221,487	-
Townships	-	910,636	910,636	-
Cemeteries	-	42,317	42,317	-
Cities	-	870,177	870,177	-
River Valley extension	-	184,981	184,981	-
Joint fire districts	-	118,038	118,038	-
Central Kansas library	-	73,722	73,722	-
Watershed districts	-	2,562	2,562	-
Hanover hospital and Palmer building	-	39,347	39,347	-
TOTAL GOVERNMENTAL	\$ 6,601,499	\$ 19,517,905	\$ 19,252,714	\$ 6,866,690

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

WASHINGTON COUNTY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Washington County (the County) is a municipal corporation incorporated under the laws of the State of Kansas and governed by an elected three-member commission. These financial statements present Washington County (the primary government) and its component unit. The component unit is included in the County's reporting entity because of the significance of its financial relationship with the County.

Discretely Presented Component Unit

The Washington County Public Building Commission (WCPBC) was established to benefit the County and other Kansas governmental entities and is governed by a separate five-member board, appointed by the Washington County Board of County Commissioners. The WCPBC has the authority to issue revenue bonds to finance the cost of acquiring/or constructing land and facilities operated for a public purpose by any Kansas governmental entity. The WCPBC finances the debt service of the revenue bonds by leasing the land and facilities to the governmental entity that operates it. The operating governmental entity guarantees the rentals under the WCPBC lease. The WCPBC has no power to levy taxes, and revenue bonds issued by the WCPBC are not included in any legal debt limitations of the operating governmental entity. The WCPBC does not issue separate financial statements, as it has only one fund that is reflected separately in these financial statements.

Fund Accounting

The accounts of the County are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The following types of funds comprise the financial activities of the County for the year of 2010:

Governmental funds

General fund—to account for all unrestricted resources except those required to be accounted for in another fund.

Special revenue funds—to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Debt service funds—to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt and the financing of special assessments which are general obligations of the County.

Fiduciary funds

Agency funds—to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds.

Statutory Basis of Accounting

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

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

Departure From Accounting Principles Generally Accepted in the United States

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, 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. Capital assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

Compensated Absences

All employees of the County accumulate a maximum of 120 calendar days earned time pay. Upon resignation or retirement from service with the County, employees are entitled to payment for all accrued earned time, up to 30 days maximum, earned prior to resignation or retirement.

The costs of accumulated vacation and extended leave are not recorded in the financial statements at the time the benefits are earned by the employee. The estimated liability for accumulated leave time as of December 31, 2010, is \$241,879.

Reimbursements

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

Use of Estimates

The process of preparing financial statements requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE 2—BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and debt service funds. 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 1.
2. Publication in local newspaper on or before August 5 of the proposed budget and notice of public hearing on the budget.

3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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 budget amendments during 2010.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

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

Special road and bridge machinery	Wireless 911
Multi-use equipment	Register of Deeds technology
Multi-use capital improvements	Special grant
Treasurer's auto special	Airport memorial

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

The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property November 1. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. Delinquent taxes are assessed interest. This interest is retained by the County.

Taxes levied to finance the budget are made available to Washington County after January 1 and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

NOTE 3—DEPOSITS AND INVESTMENTS

The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the Summary of Cash Receipts, Expenditures, and Unencumbered Cash. The cash balances of certain funds are restricted as to their use.

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 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.

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.

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. All deposits were legally secured at December 31, 2010.

At December 31, 2010, the County's carrying amount of deposits was \$9,044,862 and the bank balance was \$9,092,274. The bank balance was held by five banks. Of the bank balance, \$1,050,000 was covered by federal depository insurance, and \$8,042,274 was collateralized with securities held by the pledging financial institutions' agents in the County's name.

NOTE 4—COMPLIANCE WITH KANSAS STATUTES

Management was not aware of any statutory violations.

NOTE 5—LONG-TERM DEBT

Terms for long-term liabilities for Washington County for the year ended December 31, 2010, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General obligation bonds Series 2004	3.040%-4.125%	2004	\$ 1,015,000	2014
Capital leases				
IBM 515 computer system	4.420%	01/14/08	62,862	01/15/10
2 Dodge vehicles	4.420%	05/12/08	42,681	01/31/11
EC210 LC Volvo excavator	4.500%	09/21/08	143,876	08/01/11
Jail facility	4.000%-4.750%	2006	1,200,000	2026

All equipment under capital leases has been pledged to secure the payment of those leases.

Changes in long-term liabilities for Washington County for the year ended December 31, 2010, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds						
Series 2004	\$ 305,000	\$ -	\$ 55,000	\$ -	\$ 250,000	\$ 11,494
Capital leases						
IBM 515 computer system	32,118	-	32,118	-	-	1,404
2 Dodge vehicles	28,724	-	14,051	-	14,673	1,270
EC210 LC Volvo excavator	97,421	-	47,627	-	49,794	3,859
Jail facility	1,100,000	-	45,000	-	1,055,000	51,302
Total contractual indebtedness	1,563,263	-	193,796	-	1,369,467	69,329
Compensated absences	220,376	-	-	21,503	241,879	-
	<u>\$ 1,783,639</u>	<u>\$ -</u>	<u>\$ 193,796</u>	<u>\$ 21,503</u>	<u>\$ 1,611,346</u>	<u>\$ 69,329</u>

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

	Years							Total	
	2011	2012	2013	2014	2015	2016-2020	2021-2025		2026-2030
Principal									
General obligation bonds	\$ 60,000	\$ 60,000	\$ 65,000	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Capital leases	109,467	50,000	50,000	55,000	55,000	320,000	390,000	90,000	1,119,467
Total principal	169,467	110,000	115,000	120,000	55,000	320,000	390,000	90,000	1,369,467
Interest									
General obligation bonds	9,706	7,606	5,281	2,682	-	-	-	-	25,275
Capital leases	50,042	45,902	43,852	41,790	39,508	158,538	78,383	4,275	462,290
Total interest	59,748	53,508	49,133	44,472	39,508	158,538	78,383	4,275	487,565
	<u>\$ 229,215</u>	<u>\$ 163,508</u>	<u>\$ 164,133</u>	<u>\$ 164,472</u>	<u>\$ 94,508</u>	<u>\$ 478,538</u>	<u>\$ 468,383</u>	<u>\$ 94,275</u>	<u>\$ 1,857,032</u>

NOTE 6—LONG-TERM DEBT – COMPONENT UNIT

The Washington County Public Building Commission is authorized to issue revenue bonds to finance the cost of acquiring and/or constructing land and facilities. The revenue bonds issued by the Washington County Public Building Commission represent the underlying debt of the capital lease on the jail facility of the primary government. The capital lease payments from the County are the source of revenue that the Washington County Public Building Commission will use to retire the revenue bond as they mature.

At year end, the Washington County Public Building Commission's long-term debt consisted of the following issue:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
Component Unit - Washington County Public Building Commission				
Revenue bond				
Series 2006 - Washington jail facility	4.00%-4.75%	2006	\$ <u>1,200,000</u>	2026

Changes in long-term debt of the Washington County Public Building Commission for the year ended December 31, 2010, was as follows:

Issue	Balance Beginning of Year	Additions	Payments	Balance End of Year	Interest Paid
Revenue bond					
Jail facility	\$ <u>1,100,000</u>	\$ -	\$ <u>45,000</u>	\$ <u>1,055,000</u>	\$ <u>51,302</u>

Current maturities of long-term debt principal and interest of Washington County Public Building Commission for the next five years and in five-year increments through maturity are as follows:

Revenue Bond	Principal	Interest
2011	\$ 45,000	\$ 47,703
2012	50,000	45,902
2013	50,000	43,853
2014	55,000	41,790
2015	55,000	39,508
2016-2020	320,000	158,537
2021-2025	390,000	78,382
2026-2030	90,000	4,275
	<u>\$ 1,055,000</u>	<u>\$ 459,950</u>

NOTE 7—FUND TRANSFERS

From	To	Authority	Amount
Treasurer's special auto	General fund	Resolution	\$ 24,683
Road and bridge	County general	Resolution	100,000
Road and bridge	Special R and B machinery	K.S.A. 68-141-g	154,000
County general - jail	Multi-use capital improvement	K.S.A. 19-120	35,000
County general - sheriff	Multi-use equipment	K.S.A. 19-119	36,750
Noxious weed	Multi-use equipment	K.S.A. 19-119	35,702
County health	Multi-use capital improvement	K.S.A. 19-120	25,000
Multi-use equipment	Multi-use capital improvement	Resolution	3,861

NOTE 8—RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. The County manages these various risks of loss as follows:

General liability

Insured through commercial insurance policy. Policy provides coverage for claims up to \$500,000 per occurrence.

Physical property

Insured through commercial insurance policy. Replacement cost insured values are based on an annual review by insurance agent.

Workers' compensation

Insured through commercial insurance policy. Policy provides coverage for claims up to \$500,000 per accident.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 9—DEFINED BENEFIT PENSION PLAN

Plan Description

The County participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law established 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 South Kansas Avenue, Suite 100, Topeka, KS 66603-3803) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 and K.S.A. 79-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009, KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the member-employee contribution rate at 4.00% of covered salary for Tier 1 members and 6.00% of covered salary for Tier 2 members. 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 average employer rate established for calendar year ended December 31, 2010, is 7.14%. The County employer contributions to KPERS for the years ended December 31, 2010, 2009, and 2008, were \$140,190, \$116,038, and \$110,917, respectively, equal to the required contributions for each year.

NOTE 10—DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to substantially all government employees permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the County without being restricted to the provisions of benefits under the plan, subject only to the claims of the County's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant. Obligations to the employees under the deferred compensation plan at December 31, 2010, are \$207,395.

It is the opinion of the County's legal counsel that the County has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The County believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 11—OTHER POST EMPLOYMENT BENEFITS

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

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan until the age of 65. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

NOTE 12—COMMITMENTS AND CONTINGENCIES

Grant Program Involvement

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

Neighborhood Revitalization Plan

The County adopted a Neighborhood Revitalization Plan for all real property and all improvements thereon situated in the County of Washington effective on or after January 1, 1997, pursuant to K.S.A. 1996 Supp. 12-17,114 et seq. There are various qualifications that must be met in order to be eligible for the tax rebate. The amount of the rebate is the resulting increase in the ad valorem tax, if any, which is directly attributable to the construction and improvement to the qualified parcel and the increase in assessed valuation directly resulting there from, in any given year during the period of eligibility, calculated in accordance with the applicable percentage amounts as set forth in the following table:

<u>Years of Eligibility</u>	<u>Percentage of Property Tax Increment Rebatable</u>
Years 1-3	90%
Year 4	80%
Year 5	70%
Year 6	60%
Year 7	50%
Year 8	40%
Year 9	30%
Year 10	20%

A parcel determined qualified for rebates shall be entitled to such rebates in decreasing percentage amounts for a period of ten years provided the property declared qualified shall continuously maintain such qualification. The plan was terminated for any new participants on January 1, 2003. The last payout of rebates for this plan will be in the year 2012.

Restated and Amended Revitalization Plan

The County adopted the Restated and Amended Revitalization Plan for agricultural property construction, commercial and industrial property construction, and multi-family residences effective as of January 1, 2003. The term of the tax rebate that will be allowed is for a period of three years, with an additional two years granted under certain provisions as set forth in the plan. No tax rebate will be available beyond five years. The amount of rebate on the new constructions shall be graduated in accordance as to the following:

<u>New Appraised Value or Projected Construction Costs</u>	<u>Percentage of Property Tax Rebate on Real Estate Investment/Construction</u>
\$10,000 to \$99,999	55%
\$100,000 to \$1,000,000	60%
Greater than \$1,000,000	65%

There is also an incentive rebate that the governing body will consider increasing the amount of tax rebate up to 75% by giving special consideration to the number of new jobs created by the construction of improvements.

The Restated and Amended Revitalization Plan shall also extend the initial period of the Neighborhood Revitalization Plan for an additional period of five years ending January 1, 2012.

For the years ended December 31, 2010 and 2009, these tax rebates for both plans amounted to \$99,517 and \$113,301, respectively.

On March 23, 2009, the commissioners adopted a resolution revoking all Neighborhood Revitalization Plans, incentive plans, and/or all prior tax rebate plans effective immediately. Participants currently in the Neighborhood Revitalization Plans and Restated and Amended Revitalization Plan will still be eligible to receive tax rebates.

NOTE 13—MUNICIPAL SOLID WASTE LANDFILL

The County closed its solid waste landfill during 1994. A transfer station was built and solid waste is being hauled to an out of County landfill. A final closure inspection has been done by the Kansas Department of Health and Environment and the County's closure plan has been accepted. Postclosure care consists of the following: (1) maintaining the integrity and effectiveness of the final cover and (2) monitoring the groundwater and maintaining the monitoring system described in accordance with the requirements of K.S.A. 28-29-19. As long as the sampling results show no contamination above the maximum amounts allowed, monitoring will be conducted as needed. In the event of contamination, the County will be required to (1) increase sampling of the monitoring wells, (2) identify all private domestic wells, (3) install additional monitoring wells, and possibly cleanup the contaminated area. No estimation of additional landfill closure or postclosure care has been determined. Therefore, no potential liability has been recognized in these financial statements. No contamination was identified in 2010.