

**STEVENS COUNTY, KANSAS**

**FINANCIAL STATEMENTS**

**For the Year Ended  
December 31, 2011**

STEVENS COUNTY, KANSAS

Primary Government  
Financial Statements

For the Year Ended December 31, 2011

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STEVENS COUNTY, KANSAS

Primary Government  
Financial Statements

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## INDEPENDENT AUDITORS' REPORT

The County Commissioners  
Stevens County Courthouse  
Hugoton, Kansas 67951

We have audited the summary statement of cash receipts, expenditures and unencumbered cash of the primary government of Stevens 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 primary government financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall primary government financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements do not include financial data for the County's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. The effect on the financial statements of the omission of the aggregate discretely presented component units, although not reasonably determinable, is presumed to be material.

As described in Note 1, the County prepared this financial statement 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 omission of the discretely presented component units of Stevens County, Kansas, and because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to in the first paragraph does not present fairly, in conformity with accounting principles generally accepted in the United States, the financial position of Stevens 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 the primary government of Stevens 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 7, 2012, on our consideration of Stevens 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 performed for the purpose of forming an opinion on the financial statement of the primary government of Stevens County, Kansas. 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 basis 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 primary government statutory basis financial statements of Stevens 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 statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, 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 statements 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 June 28, 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 7, 2012

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

<u>Fund</u>	Unencumbered Cash (Deficit) Balance 01-01-11	Prior Year Canceled Encumbrances	Receipts and Transfers	Expenditures and Transfers	Unencumbered Cash (Deficit) Balance 12-31-11	Add Payables and Encumbrances	Cash (Deficit) Balance 12-31-11
<b>General</b>	<b>\$ 2,972,013</b>	<b>\$ 2,812</b>	<b>\$ 3,810,736</b>	<b>\$ 3,978,452</b>	<b>\$ 2,807,109</b>	<b>\$ 157,545</b>	<b>\$ 2,964,654</b>
<b>Special Revenue Funds</b>							
Agricultural Extension Council	32,818	-	108,232	140,000	1,050	-	1,050
Airport Maintenance	22,908	-	319,430	349,621	(7,283)	13,281	5,998
Airport Operating	547,760	-	347,197	370,591	524,366	1,127	525,493
Airport Grants	(173,497)	-	1,133,165	1,049,629	(89,961)	-	(89,961)
Alcohol and Drug	28,338	-	7,200	2,850	32,688	-	32,688
Ambulance Bequest	5,380	-	100	128	5,352	44	5,396
Building	9,767,134	-	1,205,767	6,382,206	4,590,695	1,101,481	5,692,176
Community Health	115,020	-	413,572	420,260	108,332	12,024	120,356
Employee Benefits	563,300	-	1,809,393	1,941,499	431,194	9,314	440,508
E911	13,883	-	20,710	-	34,593	-	34,593
Equipment	655,126	-	165,000	56,066	764,060	56,066	820,126
Fair Maintenance	1,845	-	118,341	119,175	1,011	-	1,011
Fire Bequest	28,897	-	7,805	4,175	32,527	-	32,527
Hospital Maintenance	38,858	-	1,875,775	1,900,000	14,633	-	14,633
Library Maintenance	8,348	-	414,097	418,902	3,543	-	3,543
Noxious Weed	272,253	-	154,076	172,451	253,878	3,666	257,544
Noxious Weed Equipment	131,582	-	-	6,876	124,706	-	124,706
Prosecutors' Training	1,412	-	388	216	1,584	-	1,584
Register of Deeds' Technology	27,945	-	9,868	-	37,813	-	37,813
Road and Bridge	197,672	-	3,944,681	3,949,743	192,610	62,133	254,743
Road Machinery and Equipment	106,225	-	175,000	-	281,225	-	281,225
Rural Fire Equipment	2,002	-	4	-	2,006	-	2,006
Services for the Elderly	2,733	-	187,637	188,823	1,547	-	1,547
Special Highway Improvement	464,324	-	175,000	294,103	345,221	-	345,221
Special Law Enforcement Trust	1,800	-	398	499	1,699	-	1,699
WeKanDo	816,380	-	3,000	148,916	670,464	-	670,464
Wellness Center Bequest	-	-	25,000	19,892	5,108	-	5,108
Motor Vehicle Operating	46,936	-	19,511	30,986	35,461	-	35,461
<b>Total Special Revenue Funds</b>	<b>13,727,382</b>	<b>-</b>	<b>12,640,347</b>	<b>17,967,607</b>	<b>8,400,122</b>	<b>1,259,136</b>	<b>9,659,258</b>
<b>Debt Service Funds</b>							
Bond and Interest - Home Health	6,288	-	15,273	20,000	1,561	-	1,561
Bond and Interest - Home for the Aged	-	-	1,174,363	1,083,667	90,696	-	90,696
Bond and Interest - Hospital	93,305	-	20,633	20,000	93,938	-	93,938
Bond and Interest - LEC	219,752	-	362,888	528,533	54,107	-	54,107
<b>Total Debt Service Funds</b>	<b>319,345</b>	<b>-</b>	<b>1,573,157</b>	<b>1,652,200</b>	<b>240,302</b>	<b>-</b>	<b>240,302</b>
<b>Total (excluding Agency Accounts) (memorandum only)</b>	<b>\$ 17,018,740</b>	<b>\$ 2,812</b>	<b>\$ 18,024,240</b>	<b>\$ 23,598,259</b>	<b>\$ 11,447,533</b>	<b>\$ 1,416,681</b>	<b>\$ 12,864,214</b>
<b>Composition of Cash</b>							
<b>Demand and money market deposits:</b>							
Citizens State Bank						\$ 22,061,948	
Plus deposits in transit						373,107	
Less outstanding checks						(241,956)	
<b>Total demand and money market deposits</b>							<b>\$ 22,193,099</b>
<b>Change funds</b>							<b>750</b>
<b>Time deposits:</b>							
Citizens State Bank						3,641,464	
First National Bank						4,200,000	
<b>Total time deposits</b>							<b>7,841,464</b>
<b>Total cash and investments</b>							<b>30,035,313</b>
<b>Agency Accounts per Schedule 3</b>							<b>(17,171,099)</b>
<b>Total (excluding Agency Accounts)</b>							<b>\$ 12,864,214</b>

The accompanying Notes to Financial Statements are an integral part of this statement.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies

Stevens County, Kansas (the County) was established in 1885 and is an organized county having the powers, duties and privileges granted counties by K.S.A. 19-101.

A. Financial reporting entity

The County is a municipal corporation governed by an elected three-member commission. These financial statements present Stevens County (the primary government) only. The organizations, functions or activities discussed below are component units of the County's reporting entity because of the significance of their operational or financial relationships with the County; however, they are not included in the County's primary government statutory basis financial statements.

The Stevens 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. Separate financial statements have been issued for the Stevens County Extension Council and may be obtained at the Extension Council's office.

The Stevens County Public Library operates the County's library and provides services for the residents of Stevens County. It was created under K.S.A. 12-1218 and 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 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 County. Bond issuances for the Library's benefit must be approved by the County. The Library is presented as a governmental fund type. Separate financial statements have been issued for the Stevens County Public Library and may be obtained at the Library.

The Stevens County Gas and Historical Museum, Inc. is a not for profit entity that operates the County's museum. 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 Museum. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve the Museum's budget and levy taxes for Museum operations. The Museum is presented as a governmental fund type. Separate financial statements have been issued for the Stevens County Gas and Historical Museum, Inc. and may be obtained at the Museum.

The Stevens County Hospital provides medical and long-term care facilities and services for the residents of Stevens 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 Board. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve the Hospital's budget and levy taxes for operations. The Hospital is presented as an enterprise fund type. Separate financial statements have been issued for the Stevens County Hospital and may be obtained at the Hospital's office.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies (continued)

A. Financial reporting entity (continued)

The Stevens County Services for the Elderly provide services for the senior residents of Stevens 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 Board. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve the Board's budget and levy taxes for operations. The Board is presented as a governmental fund type. Separate financial statements have not been issued for the Stevens County Services for the Elderly.

The Stevens County Housing Authority provides housing for the senior residents of Stevens 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 Board. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve any debt issued by the Board. The Board is presented as a governmental fund type. Separate financial statements have been issued for the Stevens County Housing Authority and may be obtained at Sunflower Plaza Apartments' office.

The Stevens County Foundation is a not for profit entity established to benefit the residents of Stevens 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 Board. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve the Board's budget and levy taxes for public purposes. The Foundation is presented as a governmental fund type. Separate financial statements have not been issued for the Stevens County Foundation.

The following organizations are jointly governed organizations in which the County participates but does not retain an ongoing financial interest or responsibility. Consequently, they are not included in the financial statements of the County.

Cimarron Basin Community Corrections is a jointly governed organization between ten counties in southwest Kansas created under an interlocal agreement. Cimarron Basin Community Corrections is governed by a board appointed by the participating parties. Cimarron Basin Community Corrections was established 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. The primary source of funding for Cimarron Basin Community Corrections is from grants with additional support from the participating parties. Stevens County contributed \$-0- to the operations of Cimarron Basin Community Corrections during the year ended December 31, 2011. Stevens County has no equity interest nor does the County materially contribute to the continued existence of Cimarron Basin Community Corrections. Cimarron Basin Community Corrections has a December 31st year end.



STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies (continued)

A. Financial reporting entity (continued)

Southwest Guidance Center, Inc. is a jointly governed organization between four counties in southwest Kansas, created under K.S.A. 19-4001. Southwest Guidance Center, Inc. is governed by a board appointed by the County Commissioners of the participating counties. The purpose of Southwest Guidance Center, Inc. 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 Southwest Guidance Center, Inc. is ad valorem tax levies by the participating counties. Stevens County contributed \$44,640 to the operations of Southwest Guidance Center, Inc. during the year ended December 31, 2011. Stevens County has no equity interest nor does the County materially contribute to the continued existence of Southwest Guidance Center, Inc. Southwest Guidance Center, Inc. has a December 31st year end.

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. Stevens County contributed \$16,617 to the operations of Southwest Kansas Regional Juvenile Detention Center during the year ended December 31, 2011. Stevens County has no equity interest nor does the County materially contribute to the continued existence of Southwest Kansas Regional Juvenile Detention Center. Southwest Kansas Regional Juvenile Detention Center has a December 31st year end.

Western Kansas Development Organization is a jointly governed organization between six counties in southwest Kansas, created under K.S.A. 19-4101. Western Kansas Development Organization is governed by a board appointed by the County Commissioners of the participating counties. The purpose of Western Kansas Development Organization is to foster and promote cooperative economic development in the members' regions. A primary source of funding for Western Kansas Development Organization is ad valorem tax levies by the participating counties. Stevens County contributed \$148,916 to the operations of Western Kansas Development Organization during the year ended December 31, 2011. Stevens County has no equity interest nor does the County materially contribute to the continued existence of Western Kansas Development Organization. Western Kansas Development Organization 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.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies (continued)

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.

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. 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

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 of major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

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

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

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies (continued)

E. Fund accounting (continued)

Proprietary Funds

Enterprise Funds - 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.

Fiduciary Funds

Trust and Agency Funds - to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: a) Expendable Trust Funds, b) Nonexpendable Trust Funds, c) Pension Trust Funds, and d) Agency Funds.

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.

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.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended 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 accumulate vacation leave days at a maximum rate of 1.5 days per month up to 18 days. The County's policy is to recognize the costs of vacation leave when actually paid. Upon resignation, termination or retirement, employees are entitled to payment for up to 12 days of accrued vacation earned.

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 90 days; days accumulated above 90 days are converted to compensation time as noted in the policy manual. The County's policy is to pay sick leave upon termination based on the years of service and number of days accrued up to a maximum payment for 45 days.

The County has estimated the value of accrued leave pay at December 31, 2011, to be \$153,828.

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.

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 are all required disclosures present for these amounts.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

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 fund, enterprise funds and internal service 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.

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

- Airport Operating
- Ambulance Bequest
- E911
- Equipment
- Fire Bequest
- Noxious Weed Equipment
- Prosecutors' Training
- Register of Deeds' Technology
- Road Machinery and Equipment
- Rural Fire Equipment
- Sheriff Bequest
- Special Highway Improvement

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

2. Stewardship, compliance and accountability

A. Budgetary information (continued)

Special Law Enforcement Trust  
Wellness Center Bequests  
Motor Vehicle Operating

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 interpretations 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. The following immaterial violations occurred:

- Kansas statutes 10-1113 and 10-1121 require no indebtedness be created in excess of available monies in any fund. At December 31, 2011, two special revenue funds and two agency accounts had deficit unencumbered cash balances as explained in Note 2C.
- Kansas statute 79-3104 requires the Register of Deeds to remit mortgage registration fees collected daily to the County Treasurer. The Register of Deeds remits fees collected to the County Treasurer on a monthly basis.
- Kansas statute 10-130 requires the remittance of principal and interest to the state fiscal agent at least 20 days prior to maturity. During 2011 payments were not submitted on a timely basis, although they were submitted to the State prior to the maturity dates.
- Kansas statute 79-2935 requires no indebtedness be created in excess of budgeted limits in any fund. At December 31, 2011, expenditures in the Airport Maintenance fund exceeded the legal budget by \$19,061.

C. Deficit unencumbered cash

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

Airport Maintenance	\$	7,283
Airport Grants		89,961
Insurance Clearing Account		115,976
Tax Distributions Account		16

Receivables from grants and matching funds to cover the deficit in Airport Grants were due at year end. In addition, receivables from related entities to cover the deficit in the Insurance Clearing Account were due at year end.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

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 of cash receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Cash on hand	\$	750
Carrying amount of deposits		30,034,563
Total cash	\$	30,035,313

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.

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 except during designated "peak periods" when required coverage is 50%. The County has no designated "peak periods".

At December 31, 2011, the County's carrying amount of deposits was \$30,034,563 and the bank balance was \$29,903,412. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$2,018,836 was covered by federal depository insurance and \$27,884,576 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:

	Citizens State Bank	First National Bank
FDIC Coverage	\$ 1,768,836	\$ 250,000
Pledged securities at market value	25,339,509	4,296,281
Total coverage	\$ 27,108,345	\$ 4,546,281
Funds on deposit	\$ 25,703,412	\$ 4,200,000
Funds at risk	\$ -	\$ -

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Credit risk - investments

Custodial credit risk for an investment 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. The County had no investments of this type at December 31, 2011.

B. Interfund transfers

Interfund operating transfers are as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	
General	Equipment	19-119	\$ 165,000
General	WeKanDo	19-119	3,000
Airport Operating	Airport Grants		51,128
Road and Bridge	Road Machinery and Equipment	68-141g	175,000
Road and Bridge	Special Highway Improvement	68-590	<u>175,000</u>
Total			<u>\$ 569,128</u>

C. Capital projects in process

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

	<u>Project Authorization</u>	<u>Disbursements and Accounts Payable to Date</u>	<u>Committed</u>
Nursing home facility	\$ 20,223,533	\$ 18,549,443	\$ 1,674,090
Airport taxiway, phase II	1,097,132	1,035,771	61,361
Airport taxiway, phase III	1,134,785	1,105,552	29,233
Memorial Hall renovation	54,736	55,481	-
Industrial Park - utility improvements	545,020	-	545,020
Library alley	14,300	-	14,300
Airport hanger repairs	40,684	42,254	-

Subsequent to year end the County authorized improvements to the EMS building in an amount of \$84,150.



STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

3. Detailed notes on all funds (continued)

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 January 1, 2011	Additions	Reductions/Payments	Net Change	Balance December 31, 2011	Interest Paid
General obligation bonds payable:										
Series 2001 Health Care Building	02-06-01	0.00%	200,000	02-15-11	\$ 20,000	\$ -	\$ 20,000		\$ -	\$ -
Series 2005a Health Care Building	02-18-05	0.00%	200,000	02-15-15	100,000	-	20,000		80,000	-
Series 2006 Law Enforcement Center	03-01-06	4.00%	2,400,000	03-01-12	1,020,000	-	500,000		520,000	28,533
<b>Total general obligation bonds payable</b>					<b>1,140,000</b>	<b>-</b>	<b>540,000</b>		<b>600,000</b>	<b>28,533</b>
Revenue bonds payable:										
Series 2003 Health Care Facility Refunding	06-15-03	3.80%	1,375,000	07-01-11	55,000	-	55,000		-	1,045
<b>Total revenue bonds payable</b>					<b>55,000</b>	<b>-</b>	<b>55,000</b>		<b>-</b>	<b>1,045</b>
Capital leases payable:										
Airport refueler truck	05-15-08	3.25%	42,500	05-15-11	7,374	-	7,374		-	70
Airport refueling system	11-10-08	3.79%	325,000	11-10-13	197,011	-	65,112		131,899	6,343
Pioneer Manor	03-22-10	4.45%	8,000,000	08-22-20	8,000,000	-	513,588		7,486,412	514,033
<b>Total capital leases payable</b>					<b>8,204,385</b>	<b>-</b>	<b>586,074</b>		<b>7,618,311</b>	<b>520,446</b>
Landfill closure and post closure costs payable:										
Accrued costs					287,109			\$ (3,239)	283,870	
Employee compensated absences payable:										
Accrued vacation and sick leave					144,136			9,692	153,828	
<b>Total long-term debt</b>					<b>\$ 9,830,630</b>	<b>\$ -</b>	<b>\$ 1,181,074</b>	<b>\$ 6,453</b>	<b>\$ 8,656,009</b>	<b>\$ 550,024</b>

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	2017-2020	
<b>Principal:</b>							
General obligation bonds payable	\$ 540,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 600,000
Capital leases payable	762,098	789,656	757,659	791,375	826,591	3,690,932	7,618,311
<b>Total principal</b>	<b>1,302,098</b>	<b>809,656</b>	<b>777,659</b>	<b>811,375</b>	<b>826,591</b>	<b>3,690,932</b>	<b>8,218,311</b>
<b>Interest:</b>							
General obligation bonds payable	9,685	-	-	-	-	-	9,685
Capital leases payable	336,978	303,466	269,962	236,246	201,030	419,550	1,767,232
<b>Total interest</b>	<b>346,663</b>	<b>303,466</b>	<b>269,962</b>	<b>236,246</b>	<b>201,030</b>	<b>419,550</b>	<b>1,776,917</b>
<b>Total principal and interest</b>	<b>\$ 1,648,761</b>	<b>\$ 1,113,122</b>	<b>\$ 1,047,621</b>	<b>\$ 1,047,621</b>	<b>\$ 1,027,621</b>	<b>\$ 4,110,482</b>	<b>\$ 9,995,228</b>

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.

4. Other information

A. Risk management

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.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

4. Other information (continued)

B. Commitments

On December 6, 2005, the County entered into a six year agreement for rights and access to sand and gravel resources. Payments under this agreement for the year ended December 31, 2011, totaled \$18,000. The County entered into a similar six year agreement with future minimum payment requirements of \$18,000 annually through December, 2017.

On July 1, 2008, the County entered into a five year agreement for network information technology services. Payments under this agreement for the year ended December 31, 2011, totaled \$47,082. Future minimum payment requirements are \$3,924 monthly through June, 2013.

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. Closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste. The \$283,870 reported as landfill closure and post closure care liability at December 31, 2011, represents the cumulative amount reported to date based on the use of 36.52% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post closure care of \$493,352 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post closure care in 2011. The County estimates approximately 127 years remain prior to the closure of the landfill. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Closure and post closure care financial assurance requirements are being met through reserve amounts in the County's annual budget.

D. Postemployment 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.

E. Defined benefit pension plan

Plan description: Stevens 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.

STEVENS COUNTY, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

4. Other information (continued)

E. Defined benefit pension plan (continued)

Funding policy: K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at up to 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%. Stevens County, Kansas, contributions to KPERS for the years ending December 31, 2011, 2010 and 2009, were \$235,705, \$212,351, and \$187,362, respectively, equal to the required contributions for each year as set forth by the legislature.

F. 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 arms-length transactions in the normal course of business.

## Supplemental Information

STEVENS 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</u>					
General	\$ 5,310,330	\$ -	\$ 5,310,330	\$ 3,978,452	\$ (1,331,878)
<u>Special Revenue Funds</u>					
Agricultural Extension Council	170,000	-	170,000	140,000	(30,000)
Airport Maintenance	330,560	-	330,560	349,621	19,061
Alcohol and Drug	24,308	-	24,308	2,850	(21,458)
Building	19,091,928	-	19,091,928	6,382,206	(12,709,722)
Community Health	481,570	-	481,570	420,260	(61,310)
Employee Benefits	2,087,066	-	2,087,066	1,941,499	(145,567)
Fair Maintenance	119,175	-	119,175	119,175	-
Hospital Maintenance	1,900,000	-	1,900,000	1,900,000	-
Library Maintenance	418,902	-	418,902	418,902	-
Noxious Weed	268,353	-	268,353	172,451	(95,902)
Road and Bridge	4,026,343	-	4,026,343	3,949,743	(76,600)
Services for the Elderly	188,823	-	188,823	188,823	-
WeKanDo	826,825	-	826,825	148,916	(677,909)
<u>Debt Service Funds</u>					
Bond and Interest - Home Health	21,000	-	21,000	20,000	(1,000)
Bond and Interest - Home for the Aged	1,170,837	-	1,170,837	1,083,667	(87,170)
Bond and Interest - Hospital	101,000	-	101,000	20,000	(81,000)
Bond and Interest - LEC	578,633	-	578,633	528,533	(50,100)

# 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 four categories as follows:

### General government

- \*Courthouse general
- \*County Commission
- \*County Clerk
- \*County Treasurer
- \*Register of Deeds
- \*Appraiser
- \*County Counselor
- \*Planning and zoning
- \*Election
- \*Data processing
- \*Other contractual services
- \*GIS

### Public safety

- \*County Attorney
- \*Sheriff
- \*District Court
- \*Emergency preparedness
- \*Fire
- \*Community service
- \*Juvenile detention

### Culture and recreation

- \*4-H Building
- \*Other contractual services

### Health and sanitation

- \*Community Health
- \*Emergency services
- \*SWKS Health Initiative
- \*Wellness center
- \*Solid waste
- \*Rodent control
- \*Other contractual services

STEVENS 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	
<b>Cash receipts:</b>				
Taxes	\$ 7,589,360	\$ 2,523,355	\$ 2,493,805	\$ 29,550
Intergovernmental revenue	324,586	360,116	357,069	3,047
Licenses and fees	673,803	458,362	83,000	375,362
Charges for services	288,651	272,101	204,000	68,101
Use of money and property	137,982	93,846	109,000	(15,154)
Other	116,499	102,956	45,000	57,956
<b>Total cash receipts</b>	<b>9,130,881</b>	<b>3,810,736</b>	<b>\$ 3,291,874</b>	<b>\$ 518,862</b>
<b>Expenditures:</b>				
<b>General government:</b>				
Courthouse general	383,243	428,628	\$ 611,543	\$ (182,915)
County Commission	78,247	85,090	123,714	(38,624)
County Clerk	102,173	109,092	114,700	(5,608)
County Treasurer	151,996	170,633	165,270	5,363
Register of Deeds	92,001	87,092	90,711	(3,619)
Appraiser	237,518	245,286	259,581	(14,295)
County Counselor	56,599	65,587	66,000	(413)
Planning and zoning	19,392	20,184	22,925	(2,741)
Election	24,461	6,475	21,900	(15,425)
Data processing	74,346	79,494	47,082	32,412
Other contractual services	754,670	259,532	1,045,350	(785,818)
GIS	49,510	55,655	60,165	(4,510)
<b>Public safety:</b>				
County Attorney	91,307	143,578	100,000	43,578
Sheriff	981,818	1,158,624	1,493,902	(335,278)
District Court	55,858	45,455	74,900	(29,445)
Emergency preparedness	2,955	2,061	5,000	(2,939)
Fire	102,055	118,933	117,500	1,433
Community service	15,811	11,170	16,678	(5,508)
Juvenile detention	4,868	15,695	3,688	12,007
<b>Culture and recreation:</b>				
4-H Building	11,512	9,426	13,500	(4,074)
Other contractual services	95,000	95,000	95,000	-
<b>Health and sanitation:</b>				
Emergency services	135,770	148,700	149,000	(300)
SWKS Health Initiative	36,977	53,471	-	53,471
Wellness center	115,749	123,567	119,849	3,718
Solid waste	239,721	165,933	282,032	(116,099)
Rodent control	-	-	1,700	(1,700)
Other contractual services	125,139	106,091	105,640	451
Transfers out	4,495,163	168,000	103,000	65,000
<b>Total expenditures</b>	<b>8,533,859</b>	<b>3,978,452</b>	<b>\$ 5,310,330</b>	<b>\$ (1,331,878)</b>
Receipts over (under) expenditures	597,022	(167,716)		
Unencumbered cash, beginning	2,368,613	2,972,013		
Adjustment to unencumbered cash for prior year canceled encumbrances	6,378	2,812		
<b>Unencumbered cash, ending</b>	<b>\$ 2,972,013</b>	<b>\$ 2,807,109</b>		

# 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 Stevens County, Kansas, are:

### Agricultural Extension Council:

This fund is used to account for monies for the purpose of instruction in agriculture, marketing, home economics, 4-H club and youth work, community and resource development, and economic development initiatives for the citizens of Stevens County through practical demonstrations, meetings, publications and other means.

### Airport Maintenance:

This fund is used to account for monies to finance specified improvement projects involving the construction or reconstruction of airport facilities.

### Airport Operating:

This fund is used to account for monies for operating the airport facilities.

### Airport Grants:

This fund is used to account for monies to finance specified improvement projects involving the construction or reconstruction of airport facilities through grant funds.

### Alcohol and Drug:

This fund is used to account for monies used to provide education and assistance for alcohol and drug programs.

### Ambulance Bequest:

This fund is used to account for donations received for purchasing ambulance equipment for the County.

### Building:

This fund is used to account for taxes levied to maintain the buildings of the County.

### Community Health:

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

### Employee Benefits:

This fund is used to account for taxes levied to pay for various benefits provided to County employees.

### E911:

This fund is used to account for monies used for the County's E911 service.

### Equipment:

This fund is used to account for monies used for purchasing equipment for the County.

### Fair Maintenance:

This fund is used to account for monies to maintain facilities used by the Fair.



## Special Revenue Funds

### Fire Bequest:

This fund is used to account for donations received for purchasing fire equipment for the County.

### Hospital Maintenance:

This fund is used to account for monies for the maintenance of the hospital.

### Library Maintenance:

This fund is used to account for monies for the maintenance of library facilities.

### Noxious Weed:

This fund is used to account for monies for controlling the spread of and eradication of noxious weeds in the County.

### Noxious Weed Equipment:

This fund is used to account for monies used to purchase equipment used by the Noxious Weed department.

### Prosecutors' 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.

### 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 used in the operation of the Road and Bridge Department, which is responsible for the building and maintenance of roads and bridges in the County.

### Road Machinery and Equipment:

This fund is used to account for monies from the Road and Bridge Fund used for purchasing construction equipment for the Road and Bridge Department or building bridges within the County.

### Rural Fire Equipment:

This fund is used to account for monies used to purchase equipment used by the rural fire department.

### Services for the Elderly:

This fund is used to account for taxes levied to provide programs for the elderly in the County.

### Special Highway Improvement:

This fund is used to account for monies to finance specified improvement projects involving the construction or reconstruction of highways, bridges, roads, streets and related incidental facilities.

### Special Law Enforcement Trust:

This fund is used to account for taxes imposed on controlled substances, and proceeds from the sale of property seized and forfeited due to certain criminal activities, and certain fees. The funds are to be used solely for law enforcement and criminal prosecution purposes.

## Special Revenue Funds

**WeKanDo:**

This fund is used to account for monies used for economic development within the County.

**Wellness Center Bequest:**

This fund is used to account for donations received for purchasing equipment for the Wellness Center.

**Motor Vehicle Operating:**

This fund is used to account for monies received from the registration fees collected for the State of Kansas motor vehicle department. The monies are appropriated for the use of the County Treasurer in paying for necessary personnel and expenses incidental to the administration of duties in accordance with the provisions of law. The monies are also used for the extra compensation to the County Treasurer for the services performed in administering the motor vehicle department.

**Note:** The County budgets all special revenue funds except for Airport Operating, Airport Grants, Ambulance Bequest, E911, Equipment, Fire Bequest, Noxious Weed Equipment, Prosecutors' Training, Register of Deeds' Technology, Road Machinery and Equipment, Rural Fire Equipment, Special Highway Improvement, Special Law Enforcement Trust, Wellness Center Bequest and Motor Vehicle Operating funds.

STEVENS COUNTY, KANSAS  
 Agricultural Extension Council 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	\$ 166,522	\$ 104,325	\$ 104,717	\$ (392)
Motor vehicle	2,753	3,046	3,244	(198)
Delinquent property	841	861	-	861
Total cash receipts	<u>170,116</u>	<u>108,232</u>	<u>\$ 107,961</u>	<u>\$ 271</u>
Expenditures:				
Other public service:				
Contractual	<u>140,000</u>	<u>140,000</u>	<u>\$ 170,000</u>	<u>\$ (30,000)</u>
Total expenditures	<u>140,000</u>	<u>140,000</u>	<u>\$ 170,000</u>	<u>\$ (30,000)</u>
Receipts over (under) expenditures	30,116	(31,768)		
Unencumbered cash, beginning	<u>2,702</u>	<u>32,818</u>		
Unencumbered cash, ending	<u>\$ 32,818</u>	<u>\$ 1,050</u>		

STEVENS COUNTY, KANSAS  
 Airport 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	\$ 328,519	\$ 310,289	\$ 311,997	\$ (1,708)
Motor vehicle	6,416	6,365	6,397	(32)
Delinquent property	1,883	1,677	-	1,677
Rents and royalties	1,101	1,099	-	1,099
Total cash receipts	<u>337,919</u>	<u>319,430</u>	<u>\$ 318,394</u>	<u>\$ 1,036</u>
Expenditures:				
General government:				
Personnel	54,999	63,652	\$ -	\$ 63,652
Contractual	<u>278,212</u>	<u>285,969</u>	<u>330,560</u>	<u>(44,591)</u>
Total expenditures	<u>333,211</u>	<u>349,621</u>	<u>\$ 330,560</u>	<u>\$ 19,061</u>
Receipts over (under) expenditures	4,708	(30,191)		
Unencumbered cash, beginning	<u>18,200</u>	<u>22,908</u>		
Unencumbered cash (deficit), ending	<u>\$ 22,908</u>	<u>\$ (7,283)</u>		

STEVENS COUNTY, KANSAS  
 Airport Operating 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	Current Year
Cash receipts:		
Intergovernmental revenue	\$ 261,846	\$ 251,531
Use of money and property	15,922	21,090
Other	<u>65,462</u>	<u>74,576</u>
Total cash receipts	<u>343,230</u>	<u>347,197</u>
Expenditures:		
General government:		
Contractual services	51,303	91,518
Commodities	74,456	94,415
Capital outlay	122,957	133,530
Transfers out	<u>53,436</u>	<u>51,128</u>
Total expenditures	<u>302,152</u>	<u>370,591</u>
Receipts over (under) expenditures	41,078	(23,394)
Unencumbered cash, beginning of year	<u>506,682</u>	<u>547,760</u>
Unencumbered cash, end of year	<u>\$ 547,760</u>	<u>\$ 524,366</u>

STEVENS COUNTY, KANSAS  
 Airport 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)

	Prior Year	Actual
Cash receipts:		
Intergovernmental revenue	\$ 844,401	\$ 1,082,037
Transfers in	53,436	51,128
Total cash receipts	<u>897,837</u>	<u>1,133,165</u>
Expenditures:		
General government:		
Capital outlay	788,490	1,049,629
Total expenditures	<u>788,490</u>	<u>1,049,629</u>
Receipts over expenditures	109,347	83,536
Unencumbered cash (deficit), beginning	<u>(282,844)</u>	<u>(173,497)</u>
Unencumbered cash (deficit), ending	<u>\$ (173,497)</u>	<u>\$ (89,961)</u>

STEVENS COUNTY, KANSAS  
 Alcohol and Drug 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	\$ 9,692	\$ 7,200	\$ 3,069	\$ 4,131
Total cash receipts	<u>9,692</u>	<u>7,200</u>	<u>\$ 3,069</u>	<u>\$ 4,131</u>
Expenditures:				
Health:				
Contractual	2,850	2,850	\$ 24,308	\$ (21,458)
Total expenditures	<u>2,850</u>	<u>2,850</u>	<u>\$ 24,308</u>	<u>\$ (21,458)</u>
Receipts over expenditures	6,842	4,350		
Unencumbered cash, beginning	<u>21,496</u>	<u>28,338</u>		
Unencumbered cash, ending	<u>\$ 28,338</u>	<u>\$ 32,688</u>		

STEVENS COUNTY, KANSAS  
 Ambulance Bequest 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
Cash receipts:		
Donations	\$ -	\$ 100
Total cash receipts	-	100
Expenditures:		
Health:		
Commodities	-	128
Total expenditures	-	128
Receipts over (under) expenditures	-	(28)
Unencumbered cash, beginning	5,380	5,380
Unencumbered cash, ending	\$ 5,380	\$ 5,352



STEVENS COUNTY, KANSAS  
 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:				
Taxes:				
Ad valorem property	\$ 411,162	\$ 268,877	\$ 270,447	\$ (1,570)
Motor vehicle	7,783	7,904	8,222	(318)
Delinquent property	2,372	2,163	-	2,163
Transfers in	3,859,625	-	-	-
Capital lease proceeds	8,000,000	-	-	-
Use of money and property	18,568	1,466	-	1,466
Other	-	925,357	700,000	225,357
Total cash receipts	<u>12,299,510</u>	<u>1,205,767</u>	<u>\$ 978,669</u>	<u>\$ 227,098</u>
Expenditures:				
General government:				
Contractual	1,028,260	71,632	\$ -	\$ 71,632
Capital outlay	<u>8,209,655</u>	<u>6,310,574</u>	<u>19,091,928</u>	<u>(12,781,354)</u>
Total expenditures	<u>9,237,915</u>	<u>6,382,206</u>	<u>\$ 19,091,928</u>	<u>\$ (12,709,722)</u>
Receipts over (under) expenditures	3,061,595	(5,176,439)		
Unencumbered cash, beginning	<u>6,705,539</u>	<u>9,767,134</u>		
Unencumbered cash, ending	<u>\$ 9,767,134</u>	<u>\$ 4,590,695</u>		

STEVENS COUNTY, KANSAS  
Community 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	
<b>Cash receipts:</b>				
Taxes:				
Ad valorem property	\$ 180,089	\$ 178,538	\$ 179,502	\$ (964)
Motor vehicle	3,123	3,534	3,505	29
Delinquent property	962	875	-	875
Services	109,919	128,268	120,399	7,869
School nurse	6,000	18,000	12,000	6,000
Intergovernmental revenue	111,184	84,357	101,325	(16,968)
Donations	2,396	-	3,000	(3,000)
<b>Total cash receipts</b>	<b>413,673</b>	<b>413,572</b>	<b>\$ 419,731</b>	<b>\$ (6,159)</b>
<b>Expenditures:</b>				
Health and sanitation:				
Personnel services	284,429	295,916	\$ 293,120	\$ 2,796
Contractual services	47,010	47,481	68,050	(20,569)
Commodities	66,337	76,863	103,500	(26,637)
Capital outlay	-	-	16,900	(16,900)
<b>Total expenditures</b>	<b>397,776</b>	<b>420,260</b>	<b>\$ 481,570</b>	<b>\$ (61,310)</b>
Receipts over (under) expenditures	15,897	(6,688)		
Unencumbered cash, beginning	99,123	115,020		
Unencumbered cash, ending	<u>\$ 115,020</u>	<u>\$ 108,332</u>		

STEVENS COUNTY, KANSAS  
Employee Benefits 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	\$ 1,263,088	\$ 1,776,790	\$ 1,787,247	\$ (10,457)
Motor vehicle	23,067	24,057	24,593	(536)
Delinquent property	7,334	6,799	-	6,799
Other	1,717	1,747	-	1,747
Total cash receipts	<u>1,295,206</u>	<u>1,809,393</u>	<u>\$ 1,811,840</u>	<u>\$ (2,447)</u>
Expenditures:				
General government:				
Social security	237,615	247,300	\$ 273,312	\$ (26,012)
Retirement	206,055	217,183	228,854	(11,671)
Workers' compensation	91,515	85,276	189,000	(103,724)
Unemployment	9,708	267	7,900	(7,633)
Health insurance	1,164,187	1,353,473	1,350,000	3,473
Other	-	38,000	38,000	-
Total expenditures	<u>1,709,080</u>	<u>1,941,499</u>	<u>\$ 2,087,066</u>	<u>\$ (145,567)</u>
Receipts under expenditures	(413,874)	(132,106)		
Unencumbered cash, beginning	<u>977,174</u>	<u>563,300</u>		
Unencumbered cash, ending	<u>\$ 563,300</u>	<u>\$ 431,194</u>		

STEVENS COUNTY, KANSAS  
 E911 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
Cash receipts:		
Licenses and fees	\$ 17,851	\$ 20,710
Total cash receipts	17,851	20,710
Expenditures:		
General government:		
Contractual	63,340	-
Total expenditures	63,340	-
Receipts over (under) expenditures	(45,489)	20,710
Unencumbered cash, beginning	59,372	13,883
Unencumbered cash, ending	\$ 13,883	\$ 34,593

STEVENS COUNTY, KANSAS  
 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</u>	<u>Actual</u>
Cash receipts:		
Transfers in	<u>\$ 211,025</u>	<u>\$ 165,000</u>
Total cash receipts	<u>211,025</u>	<u>165,000</u>
Expenditures:		
General government:		
Capital outlay	<u>18,550</u>	<u>56,066</u>
Total expenditures	<u>18,550</u>	<u>56,066</u>
Receipts over expenditures	192,475	108,934
Unencumbered cash, beginning	<u>462,651</u>	<u>655,126</u>
Unencumbered cash, ending	<u>\$ 655,126</u>	<u>\$ 764,060</u>

STEVENS COUNTY, KANSAS  
 Fair 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	\$ 110,603	\$ 115,620	\$ 116,175	\$ (555)
Motor vehicle	2,120	2,134	2,155	(21)
Delinquent property	645	587	-	587
Total cash receipts	<u>113,368</u>	<u>118,341</u>	<u>\$ 118,330</u>	<u>\$ 11</u>
Expenditures:				
Culture and recreation:				
Contractual	<u>113,500</u>	<u>119,175</u>	<u>\$ 119,175</u>	<u>\$ -</u>
Total expenditures	<u>113,500</u>	<u>119,175</u>	<u>\$ 119,175</u>	<u>\$ -</u>
Receipts under expenditures	(132)	(834)		
Unencumbered cash, beginning	<u>1,977</u>	<u>1,845</u>		
Unencumbered cash, ending	<u>\$ 1,845</u>	<u>\$ 1,011</u>		

STEVENS COUNTY, KANSAS  
 Fire Bequest 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</u>	<u>Actual</u>
Cash receipts:		
Donations	\$ 3,500	\$ 7,805
Total cash receipts	<u>3,500</u>	<u>7,805</u>
Expenditures:		
Public safety:		
Commodities	<u>2,031</u>	<u>4,175</u>
Total expenditures	<u>2,031</u>	<u>4,175</u>
Receipts over expenditures	1,469	3,630
Unencumbered cash, beginning	<u>27,428</u>	<u>28,897</u>
Unencumbered cash, ending	<u>\$ 28,897</u>	<u>\$ 32,527</u>

**STEVENS COUNTY, KANSAS**  
**Hospital 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	\$ 2,043,071	\$ 1,827,049	\$ 1,837,805	\$ (10,756)
Motor vehicle	35,312	37,938	39,785	(1,847)
Delinquent property	10,958	10,788	-	10,788
Total cash receipts	<u>2,089,341</u>	<u>1,875,775</u>	<u>\$ 1,877,590</u>	<u>\$ (1,815)</u>
Expenditures:				
Health and sanitation:				
Contractual	1,800,000	1,900,000	\$ 1,900,000	\$ -
Capital outlay appropriation	325,000	-	-	-
Total expenditures	<u>2,125,000</u>	<u>1,900,000</u>	<u>\$ 1,900,000</u>	<u>\$ -</u>
Receipts under expenditures	(35,659)	(24,225)		
Unencumbered cash, beginning	<u>74,517</u>	<u>38,858</u>		
Unencumbered cash, ending	<u>\$ 38,858</u>	<u>\$ 14,633</u>		



**STEVENS 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	\$ 447,756	\$ 403,322	\$ 405,671	\$ (2,349)
Motor vehicle	8,225	8,428	8,719	(291)
Delinquent property	2,479	2,347	-	2,347
Total cash receipts	<u>458,460</u>	<u>414,097</u>	<u>\$ 414,390</u>	<u>\$ (293)</u>
Expenditures:				
Culture and recreation:				
Contractual	<u>458,062</u>	<u>418,902</u>	<u>\$ 418,902</u>	<u>\$ -</u>
Total expenditures	<u>458,062</u>	<u>418,902</u>	<u>\$ 418,902</u>	<u>\$ -</u>
Receipts over (under) expenditures	398	(4,805)		
Unencumbered cash, beginning	<u>7,950</u>	<u>8,348</u>		
Unencumbered cash, ending	<u>\$ 8,348</u>	<u>\$ 3,543</u>		

STEVENS 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	\$ 231,496	\$ 126,640	\$ 127,185	\$ (545)
Motor vehicle	3,092	4,160	4,497	(337)
Delinquent property	1,028	1,167	-	1,167
Charges for services	40,083	22,109	25,000	(2,891)
Total cash receipts	275,699	154,076	\$ 156,682	\$ (2,606)
Expenditures:				
Public works:				
Personnel	76,293	81,347	\$ 78,893	\$ 2,454
Contractual	8,669	11,306	5,660	5,646
Commodities	58,882	79,280	180,000	(100,720)
Capital outlay	640	518	3,800	(3,282)
Total expenditures	144,484	172,451	\$ 268,353	\$ (95,902)
Receipts over (under) expenditures	131,215	(18,375)		
Unencumbered cash, beginning	141,038	272,253		
Unencumbered cash, ending	\$ 272,253	\$ 253,878		

STEVENS COUNTY, KANSAS  
 Noxious Weed 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)

	Prior Year	Actual
Cash receipts:		
Transfer from Noxious Weed	\$ -	\$ -
Total cash receipts	-	-
Expenditures:		
Public works:		
Capital outlay	1,189	6,876
Total expenditures	1,189	6,876
Receipts under expenditures	(1,189)	(6,876)
Unencumbered cash, beginning	132,771	131,582
Unencumbered cash, ending	\$ 131,582	\$ 124,706

STEVENS COUNTY, KANSAS  
 Prosecutors' 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</u>	<u>Actual</u>
Cash receipts:		
Licenses and fees	<u>\$ 523</u>	<u>\$ 388</u>
Total cash receipts	<u>523</u>	<u>388</u>
Expenditures:		
Public safety:		
Contractual	<u>240</u>	<u>216</u>
Total expenditures	<u>240</u>	<u>216</u>
Receipts over expenditures	283	172
Unencumbered cash, beginning of year	<u>1,129</u>	<u>1,412</u>
Unencumbered cash, end of year	<u>\$ 1,412</u>	<u>\$ 1,584</u>

STEVENS 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)

	<u>Prior Year</u>	<u>Actual</u>
Cash receipts:		
Licenses and fees	\$ 10,635	\$ 9,868
Total cash receipts	<u>10,635</u>	<u>9,868</u>
Expenditures:		
General government:		
Personnel	642	-
Capital outlay	4,031	-
Total expenditures	<u>4,673</u>	<u>-</u>
Receipts over expenditures	5,962	9,868
Unencumbered cash, beginning of year	<u>21,983</u>	<u>27,945</u>
Unencumbered cash, end of year	<u>\$ 27,945</u>	<u>\$ 37,813</u>

**STEVENS 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	
<b>Cash receipts:</b>				
<b>Taxes:</b>				
Ad valorem property	\$ 3,331,633	\$ 3,508,912	\$ 3,529,621	\$ (20,709)
Motor vehicle	67,636	66,205	64,872	1,333
Delinquent property	20,725	17,816	-	17,816
Intergovernmental	356,041	338,462	343,326	(4,864)
Other	54,570	13,286	-	13,286
<b>Total cash receipts</b>	<b>3,830,605</b>	<b>3,944,681</b>	<b>\$ 3,937,819</b>	<b>\$ 6,862</b>
<b>Expenditures:</b>				
<b>Public works:</b>				
<b>Maintenance:</b>				
Personnel	833,321	836,115	\$ 920,843	\$ (84,728)
Contractual	93,433	48,861	89,000	(40,139)
Commodities	735,859	955,278	965,000	(9,722)
Capital outlay	-	-	30,000	(30,000)
<b>Construction:</b>				
Contractual	-	-	5,000	(5,000)
Commodities	1,523,406	1,568,803	1,763,500	(194,697)
<b>Administrative:</b>				
Personnel	102,451	111,865	105,000	6,865
Contractual	87,493	73,264	134,000	(60,736)
Commodities	3,837	2,825	8,000	(5,175)
Capital outlay	397	2,732	6,000	(3,268)
Transfers out	420,023	350,000	-	350,000
<b>Total expenditures</b>	<b>3,800,220</b>	<b>3,949,743</b>	<b>\$ 4,026,343</b>	<b>\$ (76,600)</b>
Receipts over (under) expenditures	30,385	(5,062)		
Unencumbered cash, beginning	167,287	197,672		
Unencumbered cash, ending	<u>\$ 197,672</u>	<u>\$ 192,610</u>		

STEVENS COUNTY, KANSAS  
 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</u>	<u>Actual</u>
Cash receipts:		
Transfer from Road and Bridge	\$ -	\$ 175,000
Total cash receipts	<u>-</u>	<u>175,000</u>
Expenditures:		
Public works:		
Capital outlay	<u>211,532</u>	<u>-</u>
Total expenditures	<u>211,532</u>	<u>-</u>
Receipts over (under) expenditures	(211,532)	175,000
Unencumbered cash, beginning of year	<u>317,757</u>	<u>106,225</u>
Unencumbered cash, end of year	<u>\$ 106,225</u>	<u>\$ 281,225</u>

STEVENS COUNTY, KANSAS  
 Rural Fire 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)

	Prior Year	Actual
Cash receipts:		
Rural Fire District #1	\$ -	\$ 4
Total cash receipts	-	4
Expenditures:		
Public safety:		
Capital outlay	-	-
Total expenditures	-	-
Receipts over expenditures	-	4
Unencumbered cash, beginning of year	2,002	2,002
Unencumbered cash, end of year	\$ 2,002	\$ 2,006



STEVENS COUNTY, KANSAS  
 Services for the Elderly 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	\$ 176,799	\$ 183,108	\$ 184,062	\$ (954)
Motor vehicle	3,673	3,589	3,445	144
Delinquent property	1,128	940	-	940
Total cash receipts	<u>181,600</u>	<u>187,637</u>	<u>\$ 187,507</u>	<u>\$ 130</u>
Expenditures:				
Health and sanitation:				
Appropriations	<u>182,475</u>	<u>188,823</u>	<u>\$ 188,823</u>	<u>\$ -</u>
Total expenditures	<u>182,475</u>	<u>188,823</u>	<u>\$ 188,823</u>	<u>\$ -</u>
Receipts under expenditures	(875)	(1,186)		
Unencumbered cash, beginning	<u>3,608</u>	<u>2,733</u>		
Unencumbered cash, ending	<u>\$ 2,733</u>	<u>\$ 1,547</u>		

STEVENS 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)

	Prior Year	Actual
Cash receipts:		
Transfer from Road and Bridge	\$ 420,023	\$ 175,000
Total cash receipts	420,023	175,000
Expenditures:		
Public works:		
Contractual	255,826	-
Commodities	463,220	294,103
Total expenditures	719,046	294,103
Receipts under expenditures	(299,023)	(119,103)
Unencumbered cash, beginning of year	763,347	464,324
Unencumbered cash, end of year	\$ 464,324	\$ 345,221

STEVENS COUNTY, KANSAS  
 Special Law Enforcement Trust 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
Cash receipts:		
Licenses and fees	\$ 728	\$ 398
Total cash receipts	728	398
Expenditures:		
Public safety:		
Commodities	-	499
Total expenditures	-	499
Receipts over (under) expenditures	728	(101)
Unencumbered cash, beginning of year	1,072	1,800
Unencumbered cash, end of year	\$ 1,800	\$ 1,699

STEVENS COUNTY, KANSAS  
 WeKanDo 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:				
Transfer from General	\$ 424,513	\$ 3,000	\$ -	\$ 3,000
Total cash receipts	<u>424,513</u>	<u>3,000</u>	<u>\$ -</u>	<u>\$ 3,000</u>
Expenditures:				
General government:				
Economic development	725,445	148,916	\$ 826,825	\$ (677,909)
Total expenditures	<u>725,445</u>	<u>148,916</u>	<u>\$ 826,825</u>	<u>\$ (677,909)</u>
Receipts under expenditures	(300,932)	(145,916)		
Unencumbered cash, beginning of year	<u>1,117,312</u>	<u>816,380</u>		
Unencumbered cash, end of year	<u>\$ 816,380</u>	<u>\$ 670,464</u>		

STEVENS COUNTY, KANSAS  
 Wellness Center Bequest 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</u>	<u>Actual</u>
Cash receipts:		
Donations	\$ -	\$ 25,000
Total cash receipts	<u>-</u>	<u>25,000</u>
Expenditures:		
Health and sanitation:		
Commodities	-	19,892
Total expenditures	<u>-</u>	<u>19,892</u>
Receipts over expenditures	-	5,108
Unencumbered cash, beginning	<u>-</u>	<u>-</u>
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 5,108</u>

STEVENS COUNTY, KANSAS  
 Motor Vehicle Operating 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</u>	<u>Actual</u>
Cash receipts:		
Licenses and fees	\$ 20,604	\$ 19,511
Total cash receipts	<u>20,604</u>	<u>19,511</u>
Expenditures:		
General government:		
Personnel	9,976	10,246
Commodities	<u>8,727</u>	<u>20,740</u>
Total expenditures	<u>18,703</u>	<u>30,986</u>
Receipts over (under) expenditures	1,901	(11,475)
Unencumbered cash, beginning of year	<u>45,035</u>	<u>46,936</u>
Unencumbered cash, end of year	<u>\$ 46,936</u>	<u>\$ 35,461</u>

## Debt Service Funds

### Fund Descriptions

The Debt Service Funds are 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.

The Debt Service Funds used by Stevens County, Kansas, are:

- Bond and Interest – Home Health
- Bond and Interest – Home for the Aged
- Bond and Interest – Hospital
- Bond and Interest – LEC

**STEVENS COUNTY, KANSAS**  
**Bond and Interest - Home 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	\$ 19,325	\$ 14,788	\$ 14,867	\$ (79)
Motor vehicle	394	380	378	2
Delinquent property	120	105	-	105
Total cash receipts	<u>19,839</u>	<u>15,273</u>	<u>\$ 15,245</u>	<u>\$ 28</u>
Expenditures:				
Health and sanitation:				
Principal	20,000	20,000	\$ 20,000	\$ -
Commissions	-	-	1,000	(1,000)
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>\$ 21,000</u>	<u>\$ (1,000)</u>
Receipts under expenditures	(161)	(4,727)		
Unencumbered cash, beginning	<u>6,449</u>	<u>6,288</u>		
Unencumbered cash, ending	<u>\$ 6,288</u>	<u>\$ 1,561</u>		



STEVENS COUNTY, KANSAS  
 Bond and Interest - Home for the Aged 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	\$ -	\$ 1,118,317	\$ 1,124,682	\$ (6,365)
Reimbursement from Pioneer Manor	210,788	56,046	57,290	(1,244)
Total cash receipts	<u>210,788</u>	<u>1,174,363</u>	<u>\$ 1,181,972</u>	<u>\$ (7,609)</u>
Expenditures:				
Health and sanitation:				
Principal	205,000	562,175	\$ 1,063,547	\$ (501,372)
Interest	5,780	521,491	2,090	519,401
Commissions	8	1	200	(199)
Cash basis reserve	-	-	105,000	(105,000)
Total expenditures	<u>210,788</u>	<u>1,083,667</u>	<u>\$ 1,170,837</u>	<u>\$ (87,170)</u>
Receipts over expenditures	-	90,696		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 90,696</u>		

STEVENS COUNTY, KANSAS  
 Bond and Interest - Hospital 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:				
Motor vehicle	\$ 2,815	\$ -	\$ -	\$ -
Delinquent property	766	394	-	394
Use of money and property	235	239	-	239
Reimbursement from Hospital	20,000	20,000	20,000	-
Total cash receipts	<u>23,816</u>	<u>20,633</u>	<u>\$ 20,000</u>	<u>\$ 633</u>
Expenditures:				
Health and sanitation:				
Principal	20,000	20,000	\$ 20,000	\$ -
Commissions and cost of issuance	-	-	1,000	(1,000)
Cash basis reserve	-	-	80,000	(80,000)
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>\$ 101,000</u>	<u>\$ (81,000)</u>
Receipts over expenditures	3,816	633		
Unencumbered cash, beginning	<u>89,489</u>	<u>93,305</u>		
Unencumbered cash, ending	<u>\$ 93,305</u>	<u>\$ 93,938</u>		

STEVENS COUNTY, KANSAS  
 Bond and Interest - LEC 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	\$ 604,824	\$ 348,464	\$ 350,304	\$ (1,840)
Motor vehicle	10,311	11,168	11,777	(609)
Delinquent property	2,930	2,886	-	2,886
Use of money and property	369	370	-	370
Total cash receipts	<u>618,434</u>	<u>362,888</u>	<u>\$ 362,081</u>	<u>\$ 807</u>
Expenditures:				
Public safety:				
Principal	480,000	500,000	\$ 500,000	\$ -
Interest	46,347	28,533	28,533	-
Commissions and cost of issuance	-	-	100	(100)
Cash basis reserve	-	-	50,000	(50,000)
Total expenditures	<u>526,347</u>	<u>528,533</u>	<u>\$ 578,633</u>	<u>\$ (50,100)</u>
Receipts over (under) expenditures	92,087	(165,645)		
Unencumbered cash, beginning	<u>127,665</u>	<u>219,752</u>		
Unencumbered cash, ending	<u>\$ 219,752</u>	<u>\$ 54,107</u>		

# Trust and 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 Stevens County, Kansas, are:

### 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.

### Register of Deeds Account:

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

### 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.

### County Treasurer – Fish and Game Licenses Account:

This fund is used to account for the user fees collected from individuals to permit the harvesting of fish and game in the State. The funds included are: archery permits, fish and game licenses, waterfowl stamps, turkey licenses, and trout permits. The fees collected are remitted quarterly to the State of Kansas.

### County Treasurer – Heritage Trust Account:

This fund is used to account for the fees collected to provide assistance for preservation of historic property in Kansas.

### County Treasurer – Insufficient Check Clearing Account:

This fund is used to account for returned checks received back as a result of insufficient funds.

### County Treasurer – Insurance Clearing Account:

This fund is used to account for the premiums for insurance policies purchased on behalf of the County and its component units which are then reimbursed by the appropriate departments and component units. In addition, insurance claims and their related expenditures are also accounted for through this fund.

### County Treasurer – Payroll Clearing Account:

This fund is used to account for all federal and state income tax withheld from County employees. These taxes are remitted monthly to the federal government and State of Kansas.

### 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 Distributions 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.

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

	Balance 01-01-11	Cash Receipts	Cash Disburse- ments	Balance 12-31-11
<u>Agency Accounts</u>				
District Court Account	\$ 1,231,935	\$ 219,523	\$ 252,461	\$ 1,198,997
Law Library Account	10,214	3,695	5,180	8,729
Register of Deeds Account	-	432,997	432,997	-
Sheriff Account	-	55,723	55,723	-
Sheriff Inmate Account	-	497	443	54
County Treasurer:				
Fish and Game Licenses Account	-	2,291	2,291	-
Heritage Trust Account	519	15,398	15,917	-
Insufficient Check Clearing Account	-	8,847	8,847	-
Insurance Clearing Account	(86,766)	222,220	251,430	(115,976)
Payroll Clearing Account	5,028	551,928	543,301	13,655
Tax Collections Account	14,816,416	28,257,074	27,007,834	16,065,656
Tax Distributions Account	187	13,552,221	13,552,424	(16)
Total	<u>\$ 15,977,533</u>	<u>\$ 43,322,414</u>	<u>\$ 42,128,848</u>	<u>\$ 17,171,099</u>

STEVENS 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	
<b>Cash receipts:</b>				
Taxes:				
Ad valorem property	\$ 7,399,326	\$ 2,325,948	\$ 2,339,727	\$ (13,779)
Motor vehicle	118,520	134,336	144,078	(9,742)
Delinquent property	35,246	36,545	-	36,545
Interest on taxes	36,268	26,526	10,000	16,526
<b>Total taxes</b>	<b>7,589,360</b>	<b>2,523,355</b>	<b>2,493,805</b>	<b>29,550</b>
Intergovernmental revenue:				
Federal and state grants	1,825	-	-	-
Alcohol liquor tax	-	-	3,069	(3,069)
Mineral production tax	322,761	360,116	354,000	6,116
<b>Total intergovernmental revenue</b>	<b>324,586</b>	<b>360,116</b>	<b>357,069</b>	<b>3,047</b>
Licenses and fees:				
Mortgage registration fees	592,348	384,944	35,000	349,944
Motor vehicle license fees	35,059	36,090	20,000	16,090
Officers' fees	46,396	37,328	28,000	9,328
<b>Total licenses and fees</b>	<b>673,803</b>	<b>458,362</b>	<b>83,000</b>	<b>375,362</b>
Charges for services:				
Ambulance	137,486	115,961	94,000	21,961
Wellness center	52,020	50,482	45,000	5,482
Jail board	45,270	55,530	10,000	45,530
Law enforcement	39,603	39,564	50,000	(10,436)
Other	14,272	10,564	5,000	5,564
<b>Total charges for services</b>	<b>288,651</b>	<b>272,101</b>	<b>204,000</b>	<b>68,101</b>
Use of money and property:				
Interest on investments	120,499	76,720	100,000	(23,280)
Rents and royalties	17,483	17,126	9,000	8,126
<b>Total use of money and property</b>	<b>137,982</b>	<b>93,846</b>	<b>109,000</b>	<b>(15,154)</b>
Other:				
Other	116,499	102,956	45,000	57,956
<b>Total cash receipts</b>	<b>\$ 9,130,881</b>	<b>\$ 3,810,736</b>	<b>\$ 3,291,874</b>	<b>\$ 518,862</b>

(continued)

STEVENS 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:				
<b>General government:</b>				
Courthouse general:				
Personnel services	\$ 82,165	\$ 93,073	\$ 86,543	\$ 6,530
Contractual services	220,995	294,593	300,000	(5,407)
Commodities	29,247	37,821	50,000	(12,179)
Capital outlay	50,836	3,141	175,000	(171,859)
Total courthouse general	383,243	428,628	611,543	(182,915)
County Commission:				
Personnel services	72,607	77,324	84,870	(7,546)
Contractual services	5,632	7,416	30,680	(23,264)
Commodities	-	-	1,924	(1,924)
Capital outlay	8	350	6,240	(5,890)
Total County Commission	78,247	85,090	123,714	(38,624)
County Clerk:				
Personnel services	92,154	97,847	98,000	(153)
Contractual services	4,608	5,248	7,700	(2,452)
Commodities	3,411	5,997	9,000	(3,003)
Capital outlay	2,000	-	-	-
Total County Clerk	102,173	109,092	114,700	(5,608)
County Treasurer:				
Personnel services	121,819	138,916	132,270	6,646
Contractual services	14,173	15,717	16,000	(283)
Commodities	13,520	11,925	12,000	(75)
Capital outlay	2,484	4,075	5,000	(925)
Total County Treasurer	151,996	170,633	165,270	5,363
Register of Deeds:				
Personnel services	72,469	77,326	78,470	(1,144)
Contractual services	12,467	4,759	3,700	1,059
Commodities	7,065	5,007	6,041	(1,034)
Capital outlay	-	-	2,500	(2,500)
Total Register of Deeds	92,001	87,092	90,711	(3,619)
Appraiser:				
Personnel services	90,468	95,851	94,511	1,340
Contractual services	137,153	138,819	158,770	(19,951)
Commodities	6,779	10,356	5,000	5,356
Capital outlay	3,118	260	1,300	(1,040)
Total Appraiser	237,518	245,286	259,581	(14,295)

(continued)

STEVENS 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)				
County Counselor:				
Personnel services	\$ 40,300	\$ 42,934	\$ -	\$ 42,934
Contractual services	16,299	22,653	66,000	(43,347)
Total County Counselor	56,599	65,587	66,000	(413)
Planning and zoning:				
Personnel services	18,492	19,700	18,615	1,085
Contractual services	877	484	3,360	(2,876)
Commodities	23	-	500	(500)
Capital outlay	-	-	450	(450)
Total planning and zoning	19,392	20,184	22,925	(2,741)
Election:				
Personnel services	5,072	1,249	2,500	(1,251)
Contractual services	13,908	4,634	11,400	(6,766)
Commodities	1,331	592	3,000	(2,408)
Capital outlay	4,150	-	5,000	(5,000)
Total election	24,461	6,475	21,900	(15,425)
Data processing:				
Contractual services	74,346	79,494	47,082	32,412
Total data processing	74,346	79,494	47,082	32,412
Other contractual services:				
Soil conservation	32,020	32,020	32,020	-
Economic development	85,880	92,279	101,839	(9,560)
Economic development incentives	-	-	776,268	(776,268)
Community foundation	636,770	135,233	135,223	10
Total other contractual services	754,670	259,532	1,045,350	(785,818)
GIS:				
Personnel services	38,465	40,456	40,365	91
Contractual services	2,667	6,925	8,800	(1,875)
Commodities	1,124	2,193	8,000	(5,807)
Capital outlay	7,254	6,081	3,000	3,081
Total GIS	49,510	55,655	60,165	(4,510)
<b>Total general government</b>	<b>2,024,156</b>	<b>1,612,748</b>	<b>2,628,941</b>	<b>(1,016,193)</b>

(continued)



STEVENS 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)				
<b>Public safety:</b>				
County Attorney:				
Personnel services	\$ 30,000	\$ 31,961	\$ 41,600	\$ (9,639)
Contractual services	61,207	111,221	58,400	52,821
Capital outlay	100	396	-	396
<b>Total County Attorney</b>	<b>91,307</b>	<b>143,578</b>	<b>100,000</b>	<b>43,578</b>
Sheriff:				
Personnel services	763,676	810,005	1,009,390	(199,385)
Contractual services	78,932	170,531	216,000	(45,469)
Commodities	121,262	135,107	223,512	(88,405)
Capital outlay	17,948	42,981	45,000	(2,019)
<b>Total Sheriff</b>	<b>981,818</b>	<b>1,158,624</b>	<b>1,493,902</b>	<b>(335,278)</b>
District Court:				
Contractual services	43,857	37,835	61,900	(24,065)
Commodities	12,001	2,539	7,000	(4,461)
Capital outlay	-	5,081	6,000	(919)
<b>Total District Court</b>	<b>55,858</b>	<b>45,455</b>	<b>74,900</b>	<b>(29,445)</b>
Emergency preparedness:				
Contractual services	1,997	1,511	5,000	(3,489)
Commodities	958	550	-	550
<b>Total emergency preparedness</b>	<b>2,955</b>	<b>2,061</b>	<b>5,000</b>	<b>(2,939)</b>
Fire:				
Personnel services	55,015	59,217	56,000	3,217
Contractual services	20,783	17,700	32,000	(14,300)
Commodities	26,257	30,797	24,500	6,297
Capital outlay	-	11,219	5,000	6,219
<b>Total fire</b>	<b>102,055</b>	<b>118,933</b>	<b>117,500</b>	<b>1,433</b>
Community service:				
Personnel services	10,642	5,564	14,816	(9,252)
Contractual services	3,280	5,471	780	4,691
Commodities	1,889	135	1,082	(947)
<b>Total community service</b>	<b>15,811</b>	<b>11,170</b>	<b>16,678</b>	<b>(5,508)</b>
Juvenile detention:				
Contractual services	4,207	15,695	3,688	12,007
Capital outlay	661	-	-	-
<b>Total juvenile detention</b>	<b>4,868</b>	<b>15,695</b>	<b>3,688</b>	<b>12,007</b>
<b>Total public safety</b>	<b>1,254,672</b>	<b>1,495,516</b>	<b>1,811,668</b>	<b>(316,152)</b>

(continued)

STEVENS 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)				
<b>Culture and recreation:</b>				
4-H building:				
Personnel services	\$ 3,465	\$ 637	\$ 5,000	\$ (4,363)
Contractual services	7,660	8,355	6,500	1,855
Commodities	387	434	2,000	(1,566)
Total 4-H building	11,512	9,426	13,500	(4,074)
Other contractual services:				
Historical society	95,000	95,000	95,000	-
Total other contractual services	95,000	95,000	95,000	-
<b>Total culture and recreation</b>	<b>106,512</b>	<b>104,426</b>	<b>108,500</b>	<b>(4,074)</b>
<b>Health and sanitation:</b>				
Emergency services:				
Personnel services	88,328	92,078	102,000	(9,922)
Contractual services	13,821	14,546	23,800	(9,254)
Commodities	13,621	19,792	23,200	(3,408)
Capital outlay	20,000	22,284	-	22,284
Total emergency services	135,770	148,700	149,000	(300)
SWKS Health Initiative:				
Contractual services	36,977	53,435	-	53,435
Commodities	-	36	-	36
Total SWKS Health Initiative	36,977	53,471	-	53,471
Wellness center:				
Personnel services	84,949	90,453	88,726	1,727
Contractual services	13,547	18,909	24,622	(5,713)
Commodities	5,755	2,850	4,001	(1,151)
Capital outlay	11,498	11,355	2,500	8,855
Total wellness center	115,749	123,567	119,849	3,718
Solid waste:				
Personnel services	101,059	107,779	107,000	779
Contractual services	93,634	33,238	79,660	(46,422)
Commodities	45,028	24,916	94,022	(69,106)
Capital outlay	-	-	1,350	(1,350)
Total solid waste	239,721	165,933	282,032	(116,099)

(continued)

STEVENS 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)				
Rodent control:				
Commodities	\$ -	\$ -	\$ 1,700	\$ (1,700)
Total rodent control	-	-	1,700	(1,700)
Other contractual services:				
Coroner	10,362	8,451	11,000	(2,549)
Developmentally disabled	67,500	50,000	50,000	-
Mental health	47,277	44,640	44,640	-
Western KS Child Advocacy	-	3,000	-	3,000
Total other contractual services	125,139	106,091	105,640	451
<b>Total health and     sanitation</b>	<b>653,356</b>	<b>597,762</b>	<b>658,221</b>	<b>(60,459)</b>
<b>Transfers out:</b>				
Building	3,859,625	-	-	-
Equipment	211,025	165,000	100,000	65,000
WeKanDo	424,513	3,000	3,000	-
<b>Total transfers out</b>	<b>4,495,163</b>	<b>168,000</b>	<b>103,000</b>	<b>65,000</b>
<b>Total expenditures</b>	<b>\$ 8,533,859</b>	<b>\$ 3,978,452</b>	<b>\$ 5,310,330</b>	<b>\$ (1,331,878)</b>

STEVENS COUNTY, KANSAS  
Reconciliation of 2010 Tax Roll

2010 Tax Roll as Adjusted:	
County Clerk's abstract of taxes levied	\$ 25,541,427
Supplemental tax roll	38,580
2010 taxes abated	<u>(27,541)</u>
2010 tax roll as adjusted	<u>\$ 25,552,466</u>
2010 Tax Roll Accounted For:	
2010 current tax collections	\$ 25,383,580
Delinquent taxes	<u>168,886</u>
2010 total tax roll	<u>\$ 25,552,466</u>

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

Grant Title	Federal CFDA Number	Cluster	Grant Number	Program Award Amount	Disburse- ments/ Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>					
Direct Programs:					
Schools and Roads - Grants to States	10.665			\$ 6,503	\$ 6,503
Passed through Kansas Department of Health and Environment:					
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		2012	37,906	6,483
Special Supplemental Nutrition Program for Women, Infants and Children	10.557		2011	60,603	22,861
<b>DEPARTMENT OF TRANSPORTATION</b>					
Direct Programs:					
Airport Improvement Program	20.106		3-20-0034-08-2010	1,076,756	924,931
Airport Improvement Program	20.106		3-20-0034-06/07-2009	1,042,275	96,495
Passed through Southwest Kansas Regional Transportation Council, Inc.:					
DOT Formula Grants for Other Than Urbanized Areas	20.509		2012	9,000	4,013
DOT Formula Grants for Other Than Urbanized Areas	20.509		2011	12,153	4,644
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					
Passed through Kansas Department of Health and Environment:					
Public Health Emergency Preparedness	93.069		2011	45,707	17,480
Public Health Emergency Preparedness	93.069		2011	63,616	35,454
Projects Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116			235	235
Consolidated Health Centers Program	93.224			842	842
Immunization Grants	93.268		2012	1,458	722
Immunization Grants	93.268		2011	1,571	567
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283		2011	6,500	3,250
Child Care and Development Block Grant	93.575		2012	3,627	1,806
Child Care and Development Block Grant	93.575		2011	4,092	2,048
Maternal and Child Health Services Block Grant	93.994		2012	3,149	1,501
Maternal and Child Health Services Block Grant	93.994		2011	3,149	<u>1,584</u>
<b>TOTAL FEDERAL GRANTS</b>					<u>\$ 1,131,419</u>

The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this statement.

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

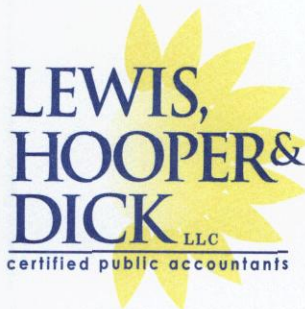
1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Stevens 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.

**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  
Stevens County  
Hugoton, Kansas 67951

We have audited the primary government statutory basis financial statements of Stevens County, Kansas, as of and for the year ended December 31, 2011, and have issued our report thereon dated June 7, 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 Stevens 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 Stevens County's 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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Stevens County's primary government 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.

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Tracey Homm, CPA, CSEP  
Kimberly A. Roth, CPA  
Kristin J. Sekavec, CPA  
Monica J. Wilson, CPA



The County Commissioners  
Stevens County, Kansas  
Page 2

We noted certain matters that we reported to the management of Stevens County, Kansas, in a separate letter dated June 7, 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 7, 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  
Stevens County  
Hugoton, Kansas 67951

Compliance

We have audited the compliance of the primary government of Stevens 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. Stevens 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 Stevens County's management. Our responsibility is to express an opinion on Stevens 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 Stevens 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 Stevens County's compliance with those requirements.

In our opinion, Stevens County, Kansas, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

The management of Stevens 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 Stevens County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine 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 OMB 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 Stevens County's internal control over compliance.

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Monica J. Wilson, CPA

*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 was not designed to identify all deficiencies in internal control over compliance 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 7, 2012

STEVENS 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:	None reported
- 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
Airport Improvement Program	20.106	\$ 924,931
Airport Improvement Program	20.106	96,495

- Dollar threshold used to distinguish between type A and B programs: \$300,000
- Auditee qualified as low-risk auditee: Yes

II. FINANCIAL STATEMENT FINDINGS

None

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

**Pam Bensel  
County Clerk**

**Dave Bozone, Chairman  
Gary Baker  
Jim Bell**

**OFFICE OF  
COUNTY CLERK OF STEVENS COUNTY  
200 E 6<sup>th</sup>  
HUGOTON, KS 67951  
Phone: (620) 544-2541**

June 7, 2012

Stevens 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 related to the federal award programs 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

None

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

IV. STATUS OF CORRECTIVE ACTIONS ON PRIOR FINDINGS

None

If there are any questions regarding this plan, please call Pam Bensel at 620-544-2541.

Sincerely,



Pam Bensel  
Stevens County Clerk