

**MIAMI COUNTY, KANSAS**

FINANCIAL STATEMENTS  
AND  
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2008

**Miami County, Kansas**

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of County Commissioners  
Miami County  
Paola, Kansas

We have audited the accompanying financial statements of the individual funds of Miami County, Kansas, as of and for the year ended December 31, 2008, as listed in the table of contents. These statutory basis financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these statutory basis financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the *Kansas Municipal Audit Guide*; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statutory basis financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note I-B, the County prepared these financial statements using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the statutory basis financial statements of the differences between the regulatory basis of accounting and accounting principles generally accepted in the United States of America are described in Note I-B.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Miami County, Kansas, as of December 31, 2008, or the changes in its financial position or, where applicable, its cash flows for the year then ended.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the cash and unencumbered cash balances of the individual funds of Miami County, Kansas as of December 31, 2008, and its cash receipts and expenditures and budgetary results, for the year then ended on the basis of accounting described in Note I-B

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2009 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Miami County, Kansas's statutory basis financial statements. The information presented as supplemental information is presented for purposes of additional analysis and is not a required part of the statutory basis financial statements. Such information has been subjected to the auditing procedures applied in the audit of the statutory basis financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Ayer & Baudert, Chartered*

March 30, 2009