

**MIAMI COUNTY, KANSAS**  
FINANCIAL STATEMENTS  
AND  
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
December 31, 2010

# 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, 2010, 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, 2010, 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, 2010, 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 April 29, 2010 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 performed for the purpose of forming an opinion on the financial statements of the County, taken as a whole. The information presented as additional information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is also 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 not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Ayer & Hackett, Chartered*

April 29, 2011

**Miami County, Kansas**

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

	<u>Beginning</u> <u>Cash Balances</u>	<u>Prior Year</u> <u>Cancelled</u> <u>Encumbrances</u>	<u>Cash</u> <u>Receipts</u>	<u>Expenditures</u>
<b>Governmental type funds</b>				
General Fund	\$ 2,883,142	\$ 5,758	\$ 12,898,639	\$ 12,958,004
<b>Special Revenue Funds</b>				
Road and Bridge	1,452,944	0	6,680,805	6,450,244
Solid Waste	158,710	0	665,667	668,692
County Fuel System	134,469	0	637,719	615,851
Club Estates #1 Sewer	17,121	0	16,039	22,348
Club Estates #1 Lights	11,645	0	0	937
Walnut Creek #3 Sewer	16,114	0	15,041	11,088
Bucyrus Sewer	1,070	0	34,803	34,889
911 Emergency Wireless	59,823	0	69,576	79,548
Law Enforcement Trust	1,982	0	7,168	0
Carry Concealed Weapon	10,118	0	5,393	1,094
County Wide Reappraisal	87,589	0	378,568	425,641
Motor Vehicle Operating	0	0	286,941	286,941
Special Building	400	0	0	0
Special Bridge	63,834	0	685,846	708,919
Special Economic Development Reserve	50,000	0	0	0
Road and Bridge Special Machinery	128,977	0	335,789	0
Equipment Reserve	470,152	0	90,040	128,879
Special Technology	134,060	0	90,464	175,721
Special Building Improvement	515,097	0	0	11,203
Special Retirement	75,000	0	0	0
Special Tax Refund	36,944	0	4,865	0
Club Estate Sewer Reserve	576	0	12,500	0
Walnut Creek Sewer Reserve	19,404	0	3,000	0
Airport Hangar	0	0	1,600	1,584
Fire District No. 1 Maintenance	105,712	0	594,222	663,593
Fire District No. 2 Maintenance	21,068	0	152,120	161,180
Fire District No. 1 Special Machinery	615,201	0	389,705	283,945
Fire District No. 2 Special Machinery	127,246	0	8,400	0
Special Alcohol Control	38,129	0	35,587	35,000
Special Drug Forfeiture	3,370	0	0	1,700
Bucyrus Lights	634	0	2,656	2,730
Hillsdale Lights	512	0	5,974	6,240
1/4 Cent Sales Tax	1,161	0	794,848	796,000
Local Environmental Protection Plan	8,646	0	10,214	10,941
Community Corrections	53,032	0	355,213	352,246
Juvenile Justice Authority	208,328	0	366,700	501,243
Micro Loan Program	16,177	0	3,600	0
Sheriff Grant	567	0	26,018	26,328
Cops for Tots	23,018	0	21,033	18,518
Sheriff's Support Program	2,059	0	2,501	3,883
RBEG Economic Development Grant	0	0	18,732	18,732

The accompanying notes are an integral part of this statement.

<u>Ending Unencumbered Cash Balance</u>	<b>Add Outstanding Encumbrances and Accounts Payable</b>	<u>Ending Cash Balance</u>	
\$ 2,829,535	\$ 523,180	\$ 3,352,715	
1,683,505	473,669	2,157,174	<b>Composition of ending cash</b>
155,685	43,356	199,041	Cash on hand and checks \$ 869,524
156,337	21,564	177,901	<b>Bank deposits</b>
10,812	449	11,261	Checking/Savings 37,679,594
10,708	80	10,788	Agency accounts 340,951
20,067	538	20,605	Component Unit:
984	1,383	2,367	Miami County Extension Council <u>109,508</u>
49,851	9,588	59,439	Total cash and investments 38,999,577
9,150	0	9,150	Agency funds per
14,417	0	14,417	Statement 4 <u>(25,440,646)</u>
40,516	14,758	55,274	<u>\$ 13,558,931</u>
0	6,165	6,165	
400	0	400	
40,761	0	40,761	
50,000	0	50,000	
464,766	0	464,766	
431,313	5,990	437,303	
48,803	14,660	63,463	
503,894	0	503,894	
75,000	0	75,000	
41,809	0	41,809	
13,076	0	13,076	
22,404	0	22,404	
16	44	60	
36,341	56,049	92,390	
12,008	0	12,008	
720,961	9,842	730,803	
135,646	0	135,646	
38,716	0	38,716	
1,670	0	1,670	
560	235	795	
246	538	784	
9	0	9	
7,919	74	7,993	
55,999	9,348	65,347	
73,785	14,251	88,036	
19,777	0	19,777	
257	0	257	
25,533	8,008	33,541	
677	0	677	
0	573	573	

**Miami County, Kansas**

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

	<u>Beginning Unencumbered Cash Balances</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>
<b>Debt Service Funds</b>				
Bond and interest	387,576	0	2,588,882	2,688,006
<b>Capital Projects Funds</b>				
New Projects	\$ 2,703,225	\$ 20,687	\$ 4,173,493	\$ 2,846,569
<b>Component Unit</b>				
Miami County Extension Council	<u>134,961</u>	<u>0</u>	<u>283,396</u>	<u>308,849</u>
Total reporting entity (excluding agency funds)	<u>\$ 10,779,793</u>	<u>\$ 26,445</u>	<u>\$ 32,753,757</u>	<u>\$ 31,307,286</u>

The accompanying notes are an integral part of this statement.

<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
288,452	0	288,452
\$ 4,050,836	\$ 91,880	\$ 4,142,716
<u>109,508</u>	<u>0</u>	<u>109,508</u>
<u>\$ 12,252,709</u>	<u>\$ 1,306,222</u>	<u>\$ 13,558,931</u>



**Miami County, Kansas**

**Statement 2**

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
(Budgeted Funds Only)  
For the Year Ended December 31, 2010

	<u>Certified Budget</u>	<u>Adjustment for Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Governmental type funds</b>					
General Fund	\$ 14,368,772	0	\$ 14,368,772	\$ 12,958,004	\$ 1,410,768
<b>Special Revenue Funds</b>					
Road and Bridge	7,211,465	0	7,211,465	6,450,244	761,221
Solid Waste	1,145,221	0	1,145,221	668,692	476,529
County Fuel System	625,000	0	625,000	615,851	9,149
Club Estates #1 Sewer	23,640	0	23,640	22,348	1,292
Club Estates #1 Lights	1,100	0	1,100	937	163
Walnut Creek #3 Sewer	15,000	0	15,000	11,088	3,912
Bucyrus Sewer	38,910	0	38,910	34,889	4,021
911 Emergency Wireless	130,000	0	130,000	79,548	50,452
County Wide Reappraisal	455,609	0	455,609	425,641	29,968
Motor Vehicle Operating	282,500	4,441	286,941	286,941	0
Special Bridge	731,310	0	731,310	708,919	22,391
Equipment Reserve	415,000	0	415,000	128,879	286,121
Special Technology	311,745	0	311,745	175,721	136,024
<b>Fire District</b>					
No. 1 Maintenance	671,945	0	671,945	663,593	8,352
No. 2 Maintenance	165,900	0	165,900	161,180	4,720
No. 1 Special Machinery	340,000	0	340,000	283,945	56,055
Special Alcohol Control	35,000	0	35,000	35,000	0
Bucyrus Lights	3,200	0	3,200	2,730	470
Hillsdale Lights	6,750	0	6,750	6,240	510
1/4 Cent Sales Tax	860,000	0	860,000	796,000	64,000
Community Corrections	381,174	0	381,174	352,246	28,928
Juvenile Justice Authority	530,585	0	530,585	501,243	29,342
<b>Debt Service Funds</b>					
Bond and interest	2,725,294	0	2,725,294	2,688,006	37,288
<b>Capital Project Funds</b>					
New Projects	4,475,660	0	4,475,660	2,846,569	1,629,091

The accompanying notes are an integral part of this statement.

Miami County, Kansas

Statement 3

GENERAL FUND

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

For the Year Ended December 31, 2010

(With Comparative Actual Totals for the Prior Year Ended December 30, 2009)

	2010		Variance Favorable (Unfavorable)
	2009 Actual	Actual	
<b>Cash receipts</b>			
Ad Valorem tax	\$ 7,419,554	\$ 8,053,620	\$ 8,410,432 \$ (356,812)
Delinquent tax	159,833	226,133	180,000 46,133
Motor vehicle tax	844,723	832,338	897,731 (65,393)
Recreational vehicle tax	18,850	18,675	18,866 (191)
16/20M vehicle tax	25,737	22,871	29,536 (6,665)
Local alcoholic liquor fund	3,780	3,444	2,000 1,444
In lieu of taxes	28,003	32,791	30,000 2,791
Mineral production tax	1,315	1,056	1,500 (444)
Machinery & equipment tax from State	26,375	0	0 0
Interest and fees on delinquent taxes	148,668	226,833	115,000 111,833
Local sales tax	509,136	500,103	500,000 103
Fees and licenses	1,041,622	931,174	992,907 (61,733)
Emergency medical services	834,399	859,408	900,000 (40,592)
Interest on investments	369,441	206,722	300,000 (93,278)
Grants	225,881	349,454	199,393 150,061
Reimbursements	49,355	102,376	83,000 19,376
Fuel sales	217,444	176,317	225,000 (48,683)
Rent	47,259	49,408	46,900 2,508
911 telephone tax	109,264	86,672	112,000 (25,328)
Miscellaneous	159,477	110,995	5,725 105,270
Neighborhood revitalization feed	0	0	2,500 (2,500)
MVL rental excise tax	0	0	500 (500)
Operating transfers	106,959	108,249	62,411 45,838
<b>Total cash receipts</b>	<u>12,347,075</u>	<u>12,898,639</u>	<u>\$ 13,115,401</u> <u>\$ (216,762)</u>
<b>Expenditures</b>			
County Administrator	170,887	167,438	\$ 174,981 \$ 7,543
Human resources	153,996	133,827	147,871 14,044
Information systems	103,635	104,410	112,174 7,764
Building & grounds	243,965	234,952	259,295 24,343
Appraiser	94,810	94,794	97,857 3,063
Building inspection	184,656	146,052	206,535 60,483
Codes court	484	309	12,300 11,991
County attorney	329,634	331,743	352,282 20,539
County clerk	173,118	157,658	166,447 8,789
County commissioners	135,442	132,902	142,728 9,826
County counselor	75,393	86,382	94,169 7,787
County-wide services	248,063	352,844	887,400 534,556
District court	306,343	323,394	338,175 14,781
Engineering	134,167	132,621	174,194 41,573
Environmental health	115,400	106,995	126,513 19,518
Health department	447,070	479,660	518,633 38,973

The accompanying notes are an integral part of this statement.