

BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

LEAVENWORTH COUNTY, KANSAS

FINANCIAL STATEMENT
WITH SUPPLEMENTARY INFORMATION
REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2016

LEAVENWORTH COUNTY, KANSAS
FINANCIAL STATEMENT
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REGULATORY BASIS

Year Ended December 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Leavenworth County, Kansas:

Report on the Financial Statement

We have audited the summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Leavenworth County, Kansas (the County), as of and for the year ended December 31, 2016 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statement, the financial statement is prepared by the County on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the County as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. 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 basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 23, 2017 on our consideration of the County's 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Berberich Trahan & Co., P.A.

May 23, 2017
Topeka, Kansas

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LEAVENWORTH COUNTY, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended December 31, 2016

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances
GOVERNMENTAL TYPE FUNDS:		
GENERAL FUND	\$ 3,406,409	\$ -
SPECIAL PURPOSE FUNDS:		
County Health	37,017	-
Employee Benefits	1,471,130	-
Register of Deeds Technology	36,041	-
Road and Bridge	356,856	-
Special Alcohol	66,267	-
Economic Development	28,589	-
Council on Aging	105,847	-
Special Parks and Recreation	18,261	-
911 Taxes	633,781	-
Juvenile Detention	229,478	-
City County Probation	66,207	-
Special Sales Tax Revenue	4,546,256	-
General Equipment Reserve	5,222,203	-
Road and Bridge Equipment Reserve	3,147,660	-
Local Service Road and Bridge	308,238	-
Local Service Capital Equipment Reserve	727,859	-
Capital Improvement Reserve	2,108,700	-
County Clerk Technology	21,582	-
County Treasurer Technology	18,848	-
Community Corrections	107,044	-
Juvenile Justice Authority	12,129	-
JDC Family Strong	575	-
PALS	19,060	-
Memorials	31,013	-
Drug Prosecutor	17,396	-
Alcohol Drug Safe Action	33,978	-
Juvenile Supervision Fees	9,963	-
CCH Permits	17,057	-
Juvenile Intake and Assessment	28,792	-
Federal Grants	57,940	-
Taxable Bond Series 2016B	-	-
County Capital Projects	8,252,477	-
Sheriff Drug Forfeitures	23,367	-
Juvenile Drinking Program	2,993	-
Violent Offenders	11,779	-
Drug Test and Supervision	55,495	-
INK Fee Fund	123,562	-
Attorney Training	11,557	-
Landfill Closure Fund	65,885	-
Township Road Improvement	2,616,786	-
Township Traffic Impact Fee	743,701	-
County Treasurer Special	104,002	-
TOTAL SPECIAL PURPOSE FUNDS	31,497,371	-
BOND AND INTEREST FUND	183,641	-
BUSINESS FUND:		
Solid Waste Management	338,432	-
TRUST FUND:		
Special Law Enforcement - Trust Fund	35,430	-
TOTAL COUNTY	\$ 35,461,283	\$ -

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 19,108,941	\$ 18,158,725	\$ 4,356,625	\$ 427,422	\$ 4,784,047
1,113,604	1,043,898	106,723	28,288	135,011
5,781,944	5,075,485	2,177,589	-	2,177,589
113,702	74,458	75,285	1,883	77,168
8,161,477	7,696,552	821,781	108,295	930,076
31,890	23,550	74,607	-	74,607
278,336	278,336	28,589	-	28,589
1,880,992	1,872,959	113,880	47,545	161,425
12,177	10,739	19,699	-	19,699
454,259	419,817	668,223	4,881	673,104
535,283	539,659	225,102	11,888	236,990
155,668	143,998	77,877	8,463	86,340
3,826,421	2,919,848	5,452,829	-	5,452,829
906,919	1,172,923	4,956,199	19,996	4,976,195
504,270	145,112	3,506,818	-	3,506,818
2,395,415	2,550,636	153,017	67,314	220,331
212,009	237,347	702,521	-	702,521
790,525	273,287	2,625,938	1,000	2,626,938
28,402	10,438	39,546	-	39,546
29,018	14,770	33,096	-	33,096
401,843	386,453	122,434	6,265	128,699
152,482	153,862	10,749	-	10,749
-	-	575	-	575
2,724	3,790	17,994	-	17,994
28,088	4,026	55,075	-	55,075
-	4,249	13,147	-	13,147
21,730	26,349	29,359	-	29,359
1,377	-	11,340	-	11,340
6,858	1,237	22,678	-	22,678
173,416	153,614	48,594	3,980	52,574
52,331	54,329	55,942	208	56,150
4,170,504	13,057	4,157,447	-	4,157,447
10,010,637	2,567,352	15,695,762	-	15,695,762
300	-	23,667	-	23,667
-	-	2,993	-	2,993
19,483	7,429	23,833	-	23,833
19,311	14,107	60,699	-	60,699
29,542	3,973	149,131	-	149,131
3,333	1,691	13,199	-	13,199
-	-	65,885	-	65,885
271,921	22,045	2,866,662	-	2,866,662
57,792	-	801,493	-	801,493
663,764	684,247	83,519	13,423	96,942
43,299,747	28,605,622	46,191,496	323,429	46,514,925
3,089,235	3,227,788	45,088	-	45,088
1,544,200	1,422,251	460,381	43,892	504,273
32,176	35,628	31,978	-	31,978
\$ 67,074,299	\$ 51,450,014	\$ 51,085,568	\$ 794,743	\$ 51,880,311

LEAVENWORTH COUNTY, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances
RELATED MUNICIPAL ENTITIES:		
Sewer District No. 1	\$ 27,463	\$ -
Sewer District No. 2	51,116	-
Sewer District No. 3	46,631	-
Sewer District No. 5	78,274	-
Sewer District No. 6	6,678	-
Sewer District No. 7	28,438	-
TOTAL RELATED MUNICIPAL ENTITIES	238,600	-
TOTAL REPORTING ENTITY		
(Excluding Agency Funds)	\$ 35,699,883	\$ -

Composition of Cash: Checking Account
Savings Account
Municipal Investment Pool
Certificates of Deposit
Total Cash
Less Agency Funds per Schedule 3
Total Reporting Entity (Excluding Agency Funds)

Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 31,575	\$ 29,105	\$ 29,933	\$ -	\$ 29,933
43,975	14,525	80,566	-	80,566
103,212	105,467	44,376	-	44,376
10,800	5,588	83,486	-	83,486
-	-	6,678	-	6,678
64,490	63,918	29,010	-	29,010
254,052	218,603	274,049	-	274,049
<u>\$ 67,328,351</u>	<u>\$ 51,668,617</u>	<u>\$ 51,359,617</u>	<u>\$ 794,743</u>	<u>\$ 52,154,360</u>
				\$ 16,048,622
				3,706,028
				4,394,242
				76,537,350
				<u>100,686,242</u>
				(48,531,882)
				<u>\$ 52,154,360</u>

See accompanying notes to financial statement.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2016

1 - Municipal Financial Reporting Entity

Leavenworth County, Kansas (the County) is a municipal corporation governed by an elected three-member commission. This regulatory financial statement presents the County and its related municipal entities. The related municipal entities included in the County's reporting entity are Sewer Districts No. 1, 2, 3, 5, 6 and 7. The related municipal entity that is not included in the County's reporting entity is the Kansas State Research and Extension, Leavenworth County (the Extension). Both the Extension and the Sewer Districts were established to benefit the County and/or its constituents.

The Extension provides services in such areas as agriculture, home economics, and 4-H clubs to all persons in the County. The council is an elected nine-member executive board. The County annually provides significant operating subsidies to the Extension. The Extension is not included in the County's financial statement. Complete financial statements for the Extension are available from its offices at 613 Holiday Plaza, Lansing, Kansas, 66043.

The County Commission also appointed themselves as the three member governing board of the six individual Sewer Districts. The sewer benefit districts oversee wastewater collection for areas throughout the County. The financial information for the six Sewer Districts is included in the County reporting entity as related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(a) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America (Continued)

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

(b) Regulatory Basis Fund Types

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 regulatory basis fund types comprise the financial activities of the County for the year ended December 31, 2016:

General Fund is used to account for the general operations of the County and is used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund is used to account for the accumulation of resources, including tax levies, transfers from other funds, and payment of general long-term debt.

Business Funds are financed in whole or in part by fees charged to users of the goods or services.

Trust Funds are used to report assets held in trust for the benefit of the County.

Agency Funds are used to report assets held by the County in a purely custodial capacity.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), the bond and interest fund, and business funds. A legal operating budget is not required for certain special purpose funds, capital project funds, trust funds, or agency 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 on or before August 5th of the proposed budget and notice of public hearing on the budget.
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. The County amended the budgets for the Bond and Interest fund, Taxable Bond Series 2016B fund, County Capital Projects fund and Sewer District No. 3 for the year ended December 31, 2016.

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

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

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(c) Budgetary Information (Continued)

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

(d) Annual Personal Leave Benefits

Under the terms of the County's personnel policy, County employees are granted annual personal leave in varying amounts.

Full-time employees accrue vacation each year at the following rates:

<u>Years of Service</u>	<u>Accumulation Per Pay Period</u>	<u>Annual Total</u>	<u>Max Leave Accumulation</u>
0 - <5	4 hours	104 hours	144 hours
5 - <10	5 hours	130 hours	176 hours
10 - <15	6 hours	156 hours	208 hours
15 - <20	7 hours	182 hours	240 hours
20+	8 hours	208 hours	272 hours

(e) Property Taxes

The County property tax is levied each November 1 on the assessed valuation of real and personal property located in the County as of the preceding January 1. The County assessors establish assessed value for real and personal property annually. The final assessed value for real and personal property located in the County as of January 1, 2015 was \$ 598,044,891. The fiscal year 2015 tax levy was based on this final assessed value and was used to fund fiscal year 2016.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

2 - Summary of Significant Accounting Policies (Continued)

(e) Property Taxes (Continued)

The County's property tax levies per \$ 1,000 assessed valuation for the year ended December 31, 2015 were as follows:

<u>Fund</u>	<u>Mill Levy</u>
General Fund	\$ 17.821
Road and Bridge Fund	9.509
Employee Benefits Fund	5.790
Other Governmental Funds	4.153
Total	<u>\$ 37.273</u>

(f) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

(g) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

3 - Deposits and Investments

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.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

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 KMIP). The County has no investment policy that would further limit its investment choices.

Some of the County's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

At December 31, 2016, the County has the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)		Rating
		Less Than 1	1-5	
Kansas Municipal Investment Pool	\$ 4,394,242	\$ 4,394,242	\$ -	S&P AAAf/S1+

The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Concentration of credit risk. State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The County's investments were composed entirely of KMIP deposits and certificates of deposit as of the fiscal year ended December 31, 2016.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

3 - Deposits and Investments (Continued)

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. Kansas statutes require the deposits be collateralized, and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the County.

At December 31, 2016, the County's carrying amount of deposits was \$ 95,798,462 and the bank balance was \$ 98,310,583. Of the bank balance, \$ 1,221,574 was covered by federal depository insurance, \$ 96,462,016 was collateralized with securities held by the pledging institutions' agents in the County's name, and \$ 626,993 was unsecured.

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

Interest rate risk - In accordance with K.S.A. 12-1675 the County manages its exposure to interest rate fluctuations by limiting all time investments to maturities of two years or less. The County has no other policies that would further limit interest rate risk.

4 - Defined Benefit Pension Plan

Plan Description. The County participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

4 - Defined Benefit Pension Plan (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contributions rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate through March 31, 2016 with a 0% moratorium until June 30, 2017 for Death and Disability Program) and the statutory contribution rate was 9.18% for KPERS and 20.42% for KP&F for the fiscal year ended December 31, 2016. Contributions to the pension plan from the County were \$ 903,045 for KPERS and \$ 996,963 for KP&F for the year ended December 31, 2016.

Net Pension Liability

At December 31, 2016, the County's proportionate share of the collective net pension liability reported by KPERS was \$ 9,289,417 and \$ 9,457,051 for KP&F. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The County's proportion of the net pension liability was based on the ratio of the County's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have also been issued for general government activities and economic development.

Changes in long-term debt for the County for the year ended December 31, 2016 were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Final Maturity</u>	<u>Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>End of Year</u>	<u>Interest Paid</u>
<u>Primary Government:</u>									
General Obligation Bonds - Governmental Funds:									
Series 2012 General Obligation Bonds	2.00 - 4.00%	12/28/12	\$ 12,240,000	03/01/17	\$ 5,675,000	\$ -	\$ 2,850,000	\$ 2,825,000	\$ 141,750
Series 2015 GO Sales Tax Bonds	2.00 - 3.50%	09/24/15	8,500,000	03/01/37	8,500,000	-	-	8,500,000	236,038
Series 2016-A Sales Tax Bonds	3-3.25%	12/22/16	9,740,000	03/01/37	-	9,740,000	-	9,740,000	-
Series 2016-B Sales Tax Bonds	2.25-2.65%	12/22/16	4,165,000	03/01/24	-	4,165,000	-	4,165,000	-
Revolving Loans - KDHE:									
Loan 1429-01	2.32%	08/23/05	380,027	03/01/27	227,917	-	18,177	209,740	5,741
Loan 1785-01	2.47%	10/26/09	1,139,578	03/01/31	883,162	-	46,504	836,658	23,708
Capital leases:									
Motorola	0.00%	08/27/10	374,080	09/01/17	106,880	-	53,440	53,440	-
Motorola	3.49%	12/12/12	55,743	09/01/17	23,167	-	11,398	11,769	810
Key Govt Finance	3.02%	09/16/11	341,700	01/16/16	73,063	-	73,063	-	188
First State Bank & Trust*	1.50%	12/19/14	950,000	07/19/19	791,819	147,025	188,580	750,264	8,934
US Bank	variable	03/25/16	261,093	03/25/19	-	246,504	79,095	167,409	7,936
Interlocal Agreement:									
CPAC	n/a	10/31/11	500,000	10/31/20	250,000	-	50,000	200,000	-
Total Indebtedness					<u>\$ 16,531,008</u>	<u>\$ 14,298,529</u>	<u>\$ 3,370,257</u>	<u>\$ 27,459,280</u>	<u>\$ 425,105</u>

* Amortization to begin after entire line is drawn.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for long-term debt are as follows:

	YEAR									
	2017	2018	2019	2020	2021	2022-2026	2027-2031	2032-2036	2037-2041	Total
PRINCIPAL:										
<u>Primary Government:</u>										
General Obligation Bonds - Governmental Funds:										
Series 2012 General Obligation Bonds	\$ 2,825,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,825,000
Series 2015 GO Sales Tax Bonds	-	280,000	290,000	300,000	315,000	1,780,000	2,190,000	2,725,000	620,000	8,500,000
Series 2016-A Sales Tax Bonds	-	160,000	270,000	290,000	310,000	2,010,000	2,595,000	3,330,000	775,000	9,740,000
Series 2016-B Sales Tax Bonds	-	445,000	580,000	590,000	610,000	1,940,000	-	-	-	4,165,000
Revolving Loans - KDHE:										
Loan 1429-01	18,647	19,130	19,624	20,132	20,652	111,555	-	-	-	209,740
Loan 1785-01	47,777	49,086	50,430	51,810	53,230	288,828	295,497	-	-	836,658
Capital leases:										
Motorola	53,440	-	-	-	-	-	-	-	-	53,440
Motorola	11,769	-	-	-	-	-	-	-	-	11,769
US Bank	82,129	85,280	-	-	-	-	-	-	-	167,409
Interlocal Agreement:										
CPAC	50,000	50,000	50,000	50,000	-	-	-	-	-	200,000
Total Principal	3,088,762	1,088,496	1,260,054	1,301,942	1,308,882	6,130,383	5,080,497	6,055,000	1,395,000	26,709,016
INTEREST:										
General Obligation Bonds - Governmental Funds:										
Series 2012 General Obligation Bonds	42,675	-	-	-	-	-	-	-	-	42,675
Series 2015 GO Sales Tax Bonds	252,148	247,948	239,397	230,548	221,322	980,523	729,258	346,934	10,850	3,258,928
Series 2016-A Sales Tax Bonds	207,068	296,975	290,525	282,125	273,125	1,198,375	854,200	403,944	12,594	3,818,931
Series 2016-B Sales Tax Bonds	68,003	93,311	81,780	68,618	55,118	75,763	-	-	-	442,593
Revolving Loans - KDHE:										
Loan 1429-01	5,271	4,788	4,294	3,786	3,266	8,035	-	-	-	29,440
Loan 1785-01	22,435	21,126	19,782	18,402	16,982	62,232	20,457	-	-	181,416
Capital leases:										
Motorola	439	-	-	-	-	-	-	-	-	439
US Bank	4,902	1,751	-	-	-	-	-	-	-	6,653
Total Interest	602,941	665,899	635,778	603,479	569,813	2,324,928	1,603,915	750,878	23,444	7,781,075
Total Principal and Interest	\$ 3,691,703	\$ 1,754,395	\$ 1,895,832	\$ 1,905,421	\$ 1,878,695	\$ 8,455,311	\$ 6,684,412	\$ 6,805,878	\$ 1,418,444	\$ 34,490,091

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt (Continued)

KDHE Revolving Loans

The County entered into a loan agreement in 2005 with the Kansas Department of Health and Environment (KDHE) to fund certain project costs for Sewer District No. 7. The project was completed and the final amount of the loan was \$ 380,027. Interest is paid at a rate of 2.32%.

The County entered into a loan agreement on October 7, 2009 with KDHE to fund certain project costs of Sewer District No. 3 to connect the City of Basehor, Kansas' wastewater collection system and treatment facility. The project was completed and the final amount of the loan was \$ 1,139,578. Interest is paid at a rate of 2.47%.

Capital Leases

The County entered into a capital lease agreement effective September 2010 for the purchase of radio equipment. The equipment is used to enable township firefighters to better communicate with Emergency Medical Service and other first responders. The County has agreed to sublease the radio equipment to various townships within the County. In future years, the lease commitment will be offset by annual sublease rental income through the year ending December 31, 2017. The agreement does not have an explicitly stated interest rate and final maturity of the lease is September 2017. An addendum to the lease was made in December 2012 which added \$ 55,743 to the lease with an interest rate of 3.49%. The final maturity date remained at September 2017.

The County entered into a capital lease agreement effective September 2011 for the purchase of a Voice Over Internet Protocol (VOIP) system. Future obligations for this lease are to be paid through the General fund. The lease bears interest at 3.02% and the final maturity of the lease was January 2016.

The County entered into a capital lease agreement effective December 19, 2014 for the purchase and renovation of a new annex. The lease includes an advancing feature that allows the County to draw up to a maximum of \$ 950,000. At December 31, 2016, \$ 938,844 has been drawn down. The lease bears interest at 1.50% and the final maturity of the lease is July 2019.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt (Continued)

Interlocal Agreement

In October 2011, the County landed a federal initiative with the United States Department of Veteran Affairs called a Consolidated Patient Account Center (CPAC) to bring additional jobs to the area. The County has committed to a \$ 50,000 annual payment for ten years to ensure the location of the CPAC within the County. At December 31, 2016, four years remain on the agreement.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Interfund Transfers

A reconciliation of transfers by fund for 2016 follows:

From	To	Authority	Amount
General	Capital Improvement Reserve	K.S.A. 19-120	\$ 188,500
General	General Equipment Reserve	K.S.A. 19-119	805,890
County Health	General Equipment Reserve	K.S.A. 19-119	15,400
County Health	Employee Benefits	K.S.A. 12-16,102	190,505
Register of Deeds Technology	Employee Benefits	K.S.A. 12-16,102	6,828
Community Corrections	Employee Benefits	K.S.A. 12-16,102	76,279
Road and Bridge	Capital Improvement Reserve	K.S.A. 19-120	400,000
Road and Bridge	Road & Bridge Equipment Reserve	K.S.A. 19-119	467,120
Road and Bridge	Employee Benefits	K.S.A. 12-16,102	715,104
Local Service Road and Bridge	Local Service Capital Equipment Reserve	K.S.A. 19-119	212,009
Local Service Road and Bridge	Employee Benefits	K.S.A. 12-16,102	144,822
Juvenile Intake and Assessment	Employee Benefits	K.S.A. 12-16,102	29,911
Council on Aging	General Equipment Reserve	KSA 19-119	16,352
Council on Aging	Employee Benefits	KSA 12-16,102	341,349
County Treasurer Special	General Equipment Reserve	KSA 19-119	1,070
County Treasurer Special	Employee Benefits	KSA 12-16,102	142,060
Solid Waste Management	General Equipment Reserve	KSA 19-119	68,207
Solid Waste Management	Capital Improvement Reserve	KSA 19-120	55,000
Solid Waste Management	Employee Benefits	KSA 12-16,102	99,426
Special Sales Tax Revenue	Bond & Interest Fund	Resolution 2005-5	2,850,000
County Capital Projects	Bond & Interest Fund	Resolution 2005-5	236,038
Juvenile Detention	Employee Benefits	KSA 12-16,102	123,386
Drug Test & Supervision	Employee Benefits	KSA 12-16,102	172
Federal Grants	Employee Benefits	KSA 12-16,102	527
City County Probation	Employee Benefits	KSA 12-16,102	28,355

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

7 - Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the 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 this financial statement.

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.

8 - Commitments and Contingencies

The County receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the County as of December 31, 2016.

9 - 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 for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

The County pays an annual premium to KERIT for its workers compensation insurance coverage. The agreement to participate provides that the KERIT risk pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of four hundred fifty thousand dollars (\$ 450,000) up to five million dollars (\$ 5,000,000), for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERIT management.

LEAVENWORTH COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

9 - Risk Management (Continued)

The County and its related entities are involved in various lawsuits arising in the ordinary course of activities. In the opinion of County management and the County Counselor, the ultimate effect of these legal matters will not have a material effect on the County's financial position.

SUPPLEMENTARY INFORMATION

LEAVENWORTH COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

Year Ended December 31, 2016

	Certified Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
	<u> </u>	<u> </u>	<u> </u>
GOVERNMENTAL TYPE FUNDS:			
GENERAL FUND	\$ 19,204,649	\$ 18,158,725	\$ (1,045,924)
SPECIAL PURPOSE FUNDS:			
County Health	1,198,813	1,043,898	(154,915)
Employee Benefits	6,153,761	5,075,485	(1,078,276)
Register of Deeds Technology	99,277	74,458	(24,819)
Road and Bridge	8,345,412	7,696,552	(648,860)
Special Alcohol	39,000	23,550	(15,450)
Economic Development	278,815	278,336	(479)
Council on Aging	1,932,120	1,872,959	(59,161)
Special Parks and Recreation	13,700	10,739	(2,961)
911 Taxes	513,420	419,817	(93,603)
Juvenile Detention	632,661	539,659	(93,002)
City County Probation	186,833	143,998	(42,835)
Special Sales Tax Revenue	3,091,278	2,919,848	(171,430)
General Equipment Reserve	3,157,380	1,172,923	(1,984,457)
Road and Bridge Equipment Reserve	2,764,774	145,112	(2,619,662)
Local Service Road and Bridge	2,635,703	2,550,636	(85,067)
Local Service Capital Equipment Reserve	1,021,296	237,347	(783,949)
Capital Improvement Reserve	1,599,370	273,287	(1,326,083)
County Clerk Technology	18,000	10,438	(7,562)
County Treasurer Technology	18,000	14,770	(3,230)
County Capital Projects	8,263,810	2,567,352	(5,696,458)
Taxable Bond Series 2016B	4,165,000	13,057	(4,151,943)
BOND AND INTEREST FUND	3,227,788	3,227,788	-
BUSINESS FUND:			
Solid Waste Management	1,422,751	1,422,251	(500)
RELATED MUNICIPAL ENTITIES:			
Sewer District No. 1	31,575	29,105	(2,470)
Sewer District No. 2	42,550	14,525	(28,025)
Sewer District No. 3	108,212	105,467	(2,745)
Sewer District No. 5	10,800	5,588	(5,212)
Sewer District No. 6	-	-	-
Sewer District No. 7	63,920	63,918	(2)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

Year Ended December 31, 2016

General Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts and transfers:			
Taxes:			
Ad valorem property tax	\$ 10,571,180	\$ 10,374,774	\$ (196,406)
Delinquent tax	-	178,858	178,858
Motor vehicle tax	1,383,820	1,502,279	118,459
Other taxes	42,439	83,447	41,008
Interest and penalties	366,200	210,503	(155,697)
Licenses, permits & fees	1,500,246	1,559,246	59,000
Charges for services	2,414,000	3,329,857	915,857
Interest on idle funds	167,500	235,387	67,887
Reimbursements	678,066	757,825	79,759
Transfers	85,514	-	(85,514)
Miscellaneous income	230,300	158,950	(71,350)
Intergovernmental	408,500	717,815	309,315
Total cash receipts and transfers	<u>17,847,765</u>	<u>19,108,941</u>	<u>1,261,176</u>
Expenditures and transfers:			
County Commission:			
Personnel services	301,861	270,789	(31,072)
Contractual services	31,050	24,756	(6,294)
Commodities	3,850	2,667	(1,183)
Transfers	2,360	2,360	-
Total county commission	<u>339,121</u>	<u>300,572</u>	<u>(38,549)</u>
County Clerk:			
Personnel services	139,526	95,713	(43,813)
Contractual services	2,500	1,902	(598)
Commodities	3,805	3,019	(786)
Transfers	5,400	5,400	-
Total county clerk	<u>\$ 151,231</u>	<u>\$ 106,034</u>	<u>\$ (45,197)</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

General Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
County Treasurer:			
Personnel services	\$ 262,134	\$ 277,490	\$ 15,356
Contractual services	7,200	4,824	(2,376)
Commodities	26,600	10,866	(15,734)
Capital outlay	500	-	(500)
Total county treasurer	<u>296,434</u>	<u>293,180</u>	<u>(3,254)</u>
Register of Deeds:			
Personnel services	160,255	162,068	1,813
Contractual services	1,650	975	(675)
Commodities	2,600	2,586	(14)
Total register of deeds	<u>164,505</u>	<u>165,629</u>	<u>1,124</u>
Emergency Medical Service:			
Personnel services	2,099,533	2,043,444	(56,089)
Contractual services	225,302	197,440	(27,862)
Commodities	343,750	312,386	(31,364)
Capital outlay	48,000	60,618	12,618
Lease purchase payments	85,514	87,190	1,676
Transfers	186,467	186,467	-
Total emergency medical service	<u>2,988,566</u>	<u>2,887,545</u>	<u>(101,021)</u>
Planning and Zoning:			
Personnel services	276,478	275,519	(959)
Contractual services	30,475	17,490	(12,985)
Commodities	8,350	4,068	(4,282)
Transfers	3,852	3,852	-
Total planning and zoning	<u>\$ 319,155</u>	<u>\$ 300,929</u>	<u>\$ (18,226)</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

General Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
County Sheriff:			
Personnel services	\$ 4,861,782	\$ 4,711,366	\$ (150,416)
Contractual services	903,628	1,053,235	149,607
Commodities	441,000	421,502	(19,498)
Transfers	220,888	290,488	69,600
Total county sheriff	<u>6,427,298</u>	<u>6,476,591</u>	<u>49,293</u>
County Counselor:			
Personnel services	178,976	177,221	(1,755)
Contractual services	252,550	258,939	6,389
Commodities	1,300	1,630	330
Total county counselor	<u>432,826</u>	<u>437,790</u>	<u>4,964</u>
County Attorney:			
Personnel services	814,450	812,356	(2,094)
Contractual services	46,480	135,678	89,198
Commodities	14,750	24,098	9,348
Court ordered payments	75,500	-	(75,500)
Total county attorney	<u>\$ 951,180</u>	<u>\$ 972,132</u>	<u>\$ 20,952</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

General Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Emergency Preparedness:			
Personnel services	\$ 109,868	\$ 111,594	\$ 1,726
Contractual services	96,817	79,993	(16,824)
Commodities	12,700	7,929	(4,771)
Capital outlay	1,500	-	(1,500)
Transfers	61,840	61,840	-
Total emergency preparedness	<u>282,725</u>	<u>261,356</u>	<u>(21,369)</u>
Coroner:			
Contractual services	154,000	114,585	(39,415)
Total coroner	<u>154,000</u>	<u>114,585</u>	<u>(39,415)</u>
Courthouse General:			
Contractual services	1,837,230	1,170,783	(666,447)
Commodities	179,000	92,082	(86,918)
Capital outlay	225,000	197,514	(27,486)
Transfers	-	100,000	100,000
Total courthouse general	<u>2,241,230</u>	<u>1,560,379</u>	<u>(680,851)</u>
Information Services:			
Personnel services	129,738	182,530	52,792
Contractual services	174,300	174,461	161
Commodities	6,000	5,481	(519)
Transfers	95,355	95,355	-
Total information services	<u>405,393</u>	<u>457,827</u>	<u>52,434</u>
Unified Court Costs:			
Personnel services	-	11,147	11,147
Contractual services	162,141	118,126	(44,015)
Commodities	69,000	62,183	(6,817)
Total unified court costs	<u>\$ 231,141</u>	<u>\$ 191,456</u>	<u>\$ (39,685)</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

General Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Human Resources:			
Personnel services	\$ 167,567	\$ 186,035	\$ 18,468
Contractual services	83,295	71,079	(12,216)
Commodities	4,500	6,221	1,721
Total human resources	<u>255,362</u>	<u>263,335</u>	<u>7,973</u>
Building Maintenance:			
Personnel services	180,739	171,975	(8,764)
Contractual services	110,062	108,465	(1,597)
Commodities	61,209	38,034	(23,175)
Transfers	19,248	19,248	-
Total building maintenance	<u>371,258</u>	<u>337,722</u>	<u>(33,536)</u>
Justice Center:			
Personnel services	89,925	91,236	1,311
Contractual services	244,702	202,344	(42,358)
Commodities	372,353	382,276	9,923
Capital outlay	56,000	38,551	(17,449)
Transfers	57,835	107,835	50,000
Total justice center	<u>820,815</u>	<u>822,242</u>	<u>1,427</u>
Appraiser:			
Personnel services	554,002	501,590	(52,412)
Contractual services	62,141	57,898	(4,243)
Commodities	41,365	29,643	(11,722)
Transfers	6,062	6,042	(20)
Total appraiser	<u>663,570</u>	<u>595,173</u>	<u>(68,397)</u>
GIS Appraiser:			
Personnel services	134,585	135,332	747
Contractual services	16,245	18,410	2,165
Commodities	7,300	3,740	(3,560)
Capital outlay	1,800	3,770	1,970
Transfers	12,000	12,000	-
Total GIS appraiser	<u>\$ 171,930</u>	<u>\$ 173,252</u>	<u>\$ 1,322</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

General Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Election:			
Personnel services	\$ 222,644	\$ 220,784	\$ (1,860)
Contractual services	51,850	1,617	(50,233)
Commodities	201,000	126,162	(74,838)
Transfers	20,000	70,000	50,000
Total election	<u>495,494</u>	<u>418,563</u>	<u>(76,931)</u>
Noxious Weeds:			
Personnel services	141,780	122,836	(18,944)
Contractual services	27,600	23,213	(4,387)
Commodities	197,000	187,128	(9,872)
Transfers	17,483	33,483	16,000
Total noxious weeds	<u>383,863</u>	<u>366,660</u>	<u>(17,203)</u>
Risk Management:			
Personnel services	3,215	3,090	(125)
Commodities	2,900	1,246	(1,654)
Total risk management	<u>6,115</u>	<u>4,336</u>	<u>(1,779)</u>
Appropriations	<u>651,437</u>	<u>651,437</u>	<u>-</u>
Total expenditures and transfers	<u>\$ 19,204,649</u>	<u>18,158,725</u>	<u>\$ (1,045,924)</u>
Receipts and transfers over expenditures and transfers		950,216	
Unencumbered cash, beginning		<u>3,406,409</u>	
Unencumbered cash, ending		<u>\$ 4,356,625</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - County Health

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Ad valorem property tax	\$ 391,360	\$ 384,445	\$ (6,915)
Delinquent tax	-	4,555	4,555
Motor vehicle tax	38,507	43,546	5,039
Grants	604,470	573,147	(31,323)
Charges for services	100,000	107,911	7,911
	<u>\$ 1,134,337</u>	<u>1,113,604</u>	<u>\$ (20,733)</u>
Expenditures and transfers:			
Personnel services	\$ 687,786	637,851	\$ (49,935)
Contractual services	211,536	154,155	(57,381)
Commodities	65,000	45,987	(19,013)
Transfers	234,491	205,905	(28,586)
	<u>\$ 1,198,813</u>	<u>1,043,898</u>	<u>\$ (154,915)</u>
Receipts over expenditures and transfers		69,706	
Unencumbered cash, beginning		<u>37,017</u>	
Unencumbered cash, ending		<u>\$ 106,723</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Employee Benefits

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts and transfers:			
Ad valorem property tax	\$ 3,434,735	\$ 3,339,997	\$ (94,738)
Interest and charges on delinquent tax	-	38,410	38,410
Motor vehicle tax	446,867	504,812	57,945
Miscellaneous	144,822	-	(144,822)
Transfers	1,526,914	1,898,725	371,811
	<u>\$ 5,553,338</u>	<u>5,781,944</u>	<u>\$ 228,606</u>
Expenditures:			
Personnel services	<u>\$ 6,153,761</u>	<u>5,075,485</u>	<u>\$ (1,078,276)</u>
Receipts and transfers over expenditures		706,459	
Unencumbered cash, beginning		<u>1,471,130</u>	
Unencumbered cash, ending		<u>\$ 2,177,589</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Register of Deeds Technology

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Interest	\$ 50	\$ 96	\$ 46
Program income	<u>90,000</u>	<u>113,606</u>	<u>23,606</u>
Total cash receipts	<u>\$ 90,050</u>	<u>113,702</u>	<u>\$ 23,652</u>
Expenditures and transfers:			
Personnel services	\$ 53,771	29,858	\$ (23,913)
Contractual services	26,500	23,934	(2,566)
Commodities	700	3,932	3,232
Capital outlay	7,304	9,906	2,602
Transfers	<u>11,002</u>	<u>6,828</u>	<u>(4,174)</u>
Total expenditures and transfers	<u>\$ 99,277</u>	<u>74,458</u>	<u>\$ (24,819)</u>
Receipts over expenditures and transfers		39,244	
Unencumbered cash, beginning		<u>36,041</u>	
Unencumbered cash, ending		<u>\$ 75,285</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Road and Bridge

	Budget	Actual	Variance- Over (Under)
Cash receipts:			
Ad valorem property tax	\$ 5,636,571	\$ 5,570,822	\$ (65,749)
Delinquent tax	-	94,285	94,285
Motor vehicle tax	806,141	904,800	98,659
Intergovernmental	1,327,442	1,394,175	66,733
Special assessments	13,539	-	(13,539)
Fees	5,000	375	(4,625)
Sale of material and reimbursements	345,821	197,020	(148,801)
	<u>\$ 8,134,514</u>	<u>8,161,477</u>	<u>\$ 26,963</u>
Total cash receipts			
Expenditures and transfers:			
Personnel services	\$ 1,812,588	1,700,712	\$ (111,876)
Contractual services	842,000	674,757	(167,243)
Commodities	4,162,000	3,526,915	(635,085)
Capital outlay	346,600	211,944	(134,656)
Transfers	1,182,224	1,582,224	400,000
	<u>\$ 8,345,412</u>	<u>7,696,552</u>	<u>\$ (648,860)</u>
Total expenditures and transfers			
Receipts over expenditures and transfers		464,925	
Unencumbered cash, beginning		<u>356,856</u>	
Unencumbered cash, ending		<u>\$ 821,781</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Special Alcohol

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Liquor tax	\$ 18,053	\$ 31,890	\$ 13,837
Expenditures:			
Contractual services	\$ 39,000	23,550	\$ (15,450)
Receipts over expenditures		8,340	
Unencumbered cash, beginning		<u>66,267</u>	
Unencumbered cash, ending		<u>\$ 74,607</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Economic Development

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Ad valorem property tax	\$ 278,815	\$ 272,302	\$ (6,513)
Delinquent tax	-	3,400	3,400
Motor vehicle tax	-	2,634	2,634
	<u> </u>	<u> </u>	<u> </u>
Total cash receipts	<u>\$ 278,815</u>	278,336	<u>\$ (479)</u>
Expenditures:			
Contractual services	<u>\$ 278,815</u>	<u>278,336</u>	<u>\$ (479)</u>
Receipts over expenditures		-	
Unencumbered cash, beginning		<u>28,589</u>	
Unencumbered cash, ending		<u>\$ 28,589</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Council on Aging

	Budget	Actual	Variance- Over (Under)
Cash receipts:			
Ad valorem property tax	\$ 1,129,193	\$ 1,110,326	\$ (18,867)
Interest on delinquent tax	-	15,339	15,339
Motor vehicle tax	112,743	128,005	15,262
Charges for services	93,782	1,670	(92,112)
Grants	493,425	619,280	125,855
Miscellaneous	-	6,372	6,372
	<u>\$ 1,829,143</u>	<u>1,880,992</u>	<u>\$ 51,849</u>
Total cash receipts			
Expenditures and transfers:			
Personnel services	\$ 969,309	926,754	\$ (42,555)
Contractual services	494,410	439,646	(54,764)
Commodities	110,700	148,858	38,158
Transfers	357,701	357,701	-
	<u>\$ 1,932,120</u>	<u>1,872,959</u>	<u>\$ (59,161)</u>
Total expenditures and transfers			
Receipts over expenditures and transfers		8,033	
Unencumbered cash, beginning		<u>105,847</u>	
Unencumbered cash, ending		<u>\$ 113,880</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Special Parks & Recreation

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Liquor tax	\$ 9,026	\$ 7,177	\$ (1,849)
Miscellaneous	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Total cash receipts	<u>\$ 9,026</u>	12,177	<u>\$ 3,151</u>
Expenditures:			
Contractual services	<u>\$ 13,700</u>	<u>10,739</u>	<u>\$ (2,961)</u>
Receipts over expenditures		1,438	
Unencumbered cash, beginning		<u>18,261</u>	
Unencumbered cash, ending		<u>\$ 19,699</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - 911 taxes

	Budget	Actual	Variance- Over (Under)
Cash receipts:			
911 tax	\$ 403,922	\$ 404,248	\$ 326
Miscellaneous	-	50,011	50,011
Total cash receipts	<u>\$ 403,922</u>	<u>454,259</u>	<u>\$ 50,337</u>
Expenditures:			
Contractual services	\$ 498,420	419,292	\$ (79,128)
Commodities	5,000	525	(4,475)
Capital outlay	10,000	-	(10,000)
Total expenditures	<u>\$ 513,420</u>	<u>419,817</u>	<u>\$ (93,603)</u>
Receipts over expenditures		34,442	
Unencumbered cash, beginning		<u>633,781</u>	
Unencumbered cash, ending		<u>\$ 668,223</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Juvenile Detention

	Budget	Actual	Variance- Over (Under)
Cash receipts:			
Ad valorem property tax	\$ 378,671	\$ 373,567	\$ (5,104)
Delinquent tax	-	7,174	7,174
Motor vehicle tax	54,169	61,023	6,854
Grants	-	11,021	11,021
Charges for services	43,000	82,498	39,498
	<u>\$ 475,840</u>	<u>535,283</u>	<u>\$ 59,443</u>
Total cash receipts			
Expenditures and transfers:			
Personnel services	\$ 390,905	355,781	\$ (35,124)
Contractual services	94,070	50,752	(43,318)
Commodities	19,300	9,740	(9,560)
Capital outlay	5,000	-	(5,000)
Transfers	123,386	123,386	-
	<u>\$ 632,661</u>	<u>539,659</u>	<u>\$ (93,002)</u>
Total expenditures and transfers			
Receipts under expenditures and transfers		(4,376)	
Unencumbered cash, beginning		<u>229,478</u>	
Unencumbered cash, ending		<u>\$ 225,102</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - City County Probation

	Budget	Actual	Variance- Over (Under)
Cash receipts:			
Fees	\$ 33,065	\$ 20,147	\$ (12,918)
Charges for services	152,312	135,521	(16,791)
Total cash receipts	<u>\$ 185,377</u>	<u>155,668</u>	<u>\$ (29,709)</u>
Expenditures and transfers:			
Personnel services	\$ 125,217	105,247	\$ (19,970)
Contractual services	13,300	8,490	(4,810)
Commodities	3,800	1,906	(1,894)
Transfers	44,516	28,355	(16,161)
Total expenditures and transfers	<u>\$ 186,833</u>	<u>143,998</u>	<u>\$ (42,835)</u>
Receipts over expenditures and transfers		11,670	
Unencumbered cash, beginning		<u>66,207</u>	
Unencumbered cash, ending		<u>\$ 77,877</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Special Sales Tax Revenue

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Sales tax	\$ 3,090,000	\$ 3,651,788	\$ 561,788
Interest income	800	7,966	7,166
Local assistance	154,428	166,667	12,239
Total cash receipts	<u>\$ 3,245,228</u>	<u>3,826,421</u>	<u>\$ 581,193</u>
Expenditures and transfers:			
Contractual services	\$ -	4,200	\$ 4,200
Debt service	54,428	65,648	11,220
Transfers	3,036,850	2,850,000	(186,850)
Total expenditures and transfers	<u>\$ 3,091,278</u>	<u>2,919,848</u>	<u>\$ (171,430)</u>
Receipts over expenditures and transfers		906,573	
Unencumbered cash, beginning		<u>4,546,256</u>	
Unencumbered cash, ending		<u>\$ 5,452,829</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - General Equipment Reserve

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Transfers	\$ 877,911	\$ 906,919	\$ 29,008
Expenditures and transfers:			
Capital outlay	\$ 3,071,866	1,172,923	\$ (1,898,943)
Transfers	85,514	-	(85,514)
Total expenditures and transfers	<u>\$ 3,157,380</u>	<u>1,172,923</u>	<u>\$ (1,984,457)</u>
Transfers under expenditures and transfers		(266,004)	
Unencumbered cash, beginning		<u>5,222,203</u>	
Unencumbered cash, ending		<u>\$ 4,956,199</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Road and Bridge Equipment Reserve

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts and transfers:			
Transfers	\$ 715,104	\$ 467,120	\$ (247,984)
Local assistance	<u>-</u>	<u>37,150</u>	<u>37,150</u>
Total cash receipts and transfers	<u>\$ 715,104</u>	<u>504,270</u>	<u>\$ (210,834)</u>
Expenditures:			
Capital outlay	<u>\$ 2,764,774</u>	<u>145,112</u>	<u>\$ (2,619,662)</u>
Receipts and transfers over expenditures		359,158	
Unencumbered cash, beginning		<u>3,147,660</u>	
Unencumbered cash, ending		<u>\$ 3,506,818</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Local Service Road and Bridge

	Budget	Actual	Variance- Over (Under)
Cash receipts:			
Ad valorem property tax	\$ 1,902,919	\$ 1,881,628	\$ (21,291)
Delinquent tax	-	30,207	30,207
Motor vehicle tax	287,760	313,202	25,442
Fuel tax	147,493	170,378	22,885
Charges for services	164,500	-	(164,500)
	<u>\$ 2,502,672</u>	<u>2,395,415</u>	<u>\$ (107,257)</u>
Total cash receipts			
Expenditures and transfers:			
Personnel services	\$ 591,667	482,837	\$ (108,830)
Contractual services	18,200	15,782	(2,418)
Commodities	1,127,005	1,338,385	211,380
Capital outlay	542,000	356,801	(185,199)
Transfers	356,831	356,831	-
	<u>\$ 2,635,703</u>	<u>2,550,636</u>	<u>\$ (85,067)</u>
Total expenditures and transfers			
Receipts under expenditures and transfers		(155,221)	
Unencumbered cash, beginning		<u>308,238</u>	
Unencumbered cash, ending		<u>\$ 153,017</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Local Service Capital Equipment Reserve

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Transfers:			
Transfers	\$ 212,009	\$ 212,009	\$ -
Expenditures:			
Capital outlay	\$ 1,021,296	237,347	\$ (783,949)
Transfers under expenditures		(25,338)	
Unencumbered cash, beginning		<u>727,859</u>	
Unencumbered cash, ending		<u>\$ 702,521</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Capital Improvement Reserve

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts and transfers:			
Transfers	\$ 25,000	\$ 643,500	\$ 618,500
Lease purchase proceeds	-	147,025	147,025
Total cash receipts and transfers	<u>\$ 25,000</u>	<u>790,525</u>	<u>\$ 765,525</u>
Expenditures:			
Capital outlay	<u>\$ 1,599,370</u>	<u>273,287</u>	<u>\$ (1,326,083)</u>
Receipts and transfers over expenditures		517,238	
Unencumbered cash, beginning		<u>2,108,700</u>	
Unencumbered cash, ending		<u>\$ 2,625,938</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - County Clerk Technology

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Program income	\$ 18,000	\$ 28,402	\$ 10,402
Expenditures:			
Contractual services	\$ -	1,097	\$ 1,097
Commodities	-	7,703	7,703
Capital outlay	18,000	1,638	(16,362)
Total expenditures	<u>\$ 18,000</u>	<u>10,438</u>	<u>\$ (7,562)</u>
Receipts over expenditures		17,964	
Unencumbered cash, beginning		<u>21,582</u>	
Unencumbered cash, ending		<u>\$ 39,546</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - County Treasurer Technology

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Program income	\$ 18,000	\$ 28,402	\$ 10,402
Reimbursements	-	616	616
	<u>\$ 18,000</u>	29,018	<u>\$ 11,018</u>
Expenditures:			
Capital outlay	<u>\$ 18,000</u>	<u>14,770</u>	<u>\$ (3,230)</u>
Receipts over expenditures		14,248	
Unencumbered cash, beginning		<u>18,848</u>	
Unencumbered cash, ending		<u>\$ 33,096</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - County Capital Projects

	Original Budget	Amended Budget	Actual	Variance- Over (Under)
Cash receipts:				
Interest income	\$ -	\$ 11,333	\$ 11,758	\$ 425
Bond proceeds	-	-	9,740,000	9,740,000
Bond premium	-	-	258,879	258,879
	<u>\$ -</u>	<u>\$ 11,333</u>	<u>10,010,637</u>	<u>\$ 9,999,304</u>
Total cash receipts				
Expenditures and transfers:				
Contractual services	\$ -	\$ 8,263,810	2,167,406	\$ (6,096,404)
Cost of issuance	-	-	163,908	163,908
Transfers	-	-	236,038	236,038
	<u>\$ -</u>	<u>\$ 8,263,810</u>	<u>\$ 2,567,352</u>	<u>\$ (5,696,458)</u>
Total expenditures and transfers				
Receipts over expenditures and transfers			7,443,285	
Unencumbered cash, beginning			<u>8,252,477</u>	
Unencumbered cash, ending			<u>\$ 15,695,762</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Special Purpose Fund - Taxable Bond Series 2016B

	Original Budget	Amended Budget	Actual	Variance- Over (Under)
Cash receipts:				
Bond proceeds	\$ -	\$ 4,165,000	\$ 4,165,000	\$ -
Bond premium	-	-	5,504	5,504
Total cash receipts	<u>\$ -</u>	<u>\$ 4,165,000</u>	4,170,504	<u>\$ 5,504</u>
Expenditures:				
Cost of issuance	\$ -	\$ 10,000	13,057	\$ 3,057
Capital outlay	-	4,155,000	-	(4,155,000)
Total expenditures	<u>\$ -</u>	<u>\$ 4,165,000</u>	13,057	<u>\$ (4,151,943)</u>
Receipts over expenditures			4,157,447	
Unencumbered cash, beginning			<u>-</u>	
Unencumbered cash, ending			<u>\$ 4,157,447</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS
SCHEDULE OF RECEIPTS AND EXPENDITURES

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Non-budgeted Special Purpose Funds

	Community Corrections
Cash receipts:	
Charges for services	\$ -
Licenses, permits, and fees	-
Motor vehicle tax	-
Sales tax	-
Intergovernmental	198,481
Miscellaneous	38
Interest income	-
Grants	203,314
Reimbursements	10
	401,843
Total cash receipts	401,843
Expenditures and transfers:	
Personal services	251,987
Contractual services	45,457
Commodities	12,730
Transfers	76,279
	386,453
Total expenditures and transfers	386,453
Receipts over (under) expenditures and transfers	15,390
Unencumbered cash, beginning	107,044
Unencumbered cash, ending	\$ 122,434

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Non-budgeted Special Purpose Funds

	<u>Juvenile Authority</u>	<u>JDC Family Strong</u>	<u>PALS</u>	<u>Memorials</u>
Cash receipts:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and fees	-	-	-	-
Motor vehicle tax	-	-	-	-
Sales tax	-	-	-	-
Intergovernmental	37,844	-	-	-
Miscellaneous	-	-	2,724	28,088
Interest income	-	-	-	-
Grants	113,988	-	-	-
Reimbursements	650	-	-	-
	<u>152,482</u>	<u>-</u>	<u>2,724</u>	<u>28,088</u>
Total cash receipts				
Expenditures and transfers:				
Personal services	1,028	-	-	-
Contractual services	152,834	-	2,427	1,500
Commodities	-	-	1,363	2,526
Transfers	-	-	-	-
	<u>153,862</u>	<u>-</u>	<u>3,790</u>	<u>4,026</u>
Total expenditures and transfers				
Receipts over (under) expenditures and transfers	(1,380)	-	(1,066)	24,062
Unencumbered cash, beginning	<u>12,129</u>	<u>575</u>	<u>19,060</u>	<u>31,013</u>
Unencumbered cash, ending	<u>\$ 10,749</u>	<u>\$ 575</u>	<u>\$ 17,994</u>	<u>\$ 55,075</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Non-budgeted Special Purpose Funds

	<u>Drug Prosecutor</u>	<u>Alcohol Drug Safe Action</u>	<u>Juvenile Supervision Fees</u>	<u>CCH Permits</u>
Cash receipts:				
Charges for services	\$ -	\$ 21,730	\$ -	\$ -
Licenses, permits, and fees	-	-	-	6,858
Motor vehicle tax	-	-	-	-
Sales tax	-	-	-	-
Intergovernmental	-	-	-	-
Miscellaneous	-	-	1,377	-
Interest income	-	-	-	-
Grants	-	-	-	-
Reimbursements	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total cash receipts	-	21,730	1,377	6,858
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures and transfers:				
Personal services	-	-	-	-
Contractual services	4,249	22,770	-	1,237
Commodities	-	3,579	-	-
Transfers	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and transfers	4,249	26,349	-	1,237
	<hr/>	<hr/>	<hr/>	<hr/>
Receipts over (under) expenditures and transfers	(4,249)	(4,619)	1,377	5,621
Unencumbered cash, beginning	17,396	33,978	9,963	17,057
	<hr/>	<hr/>	<hr/>	<hr/>
Unencumbered cash, ending	<u>\$ 13,147</u>	<u>\$ 29,359</u>	<u>\$ 11,340</u>	<u>\$ 22,678</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Non-budgeted Special Purpose Funds

	Juvenile Intake and Assessment	Federal Grants	Sheriff Drug Forfeitures	Juvenile Drinking Program
Cash receipts:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and fees	1,635	-	-	-
Motor vehicle tax	-	-	-	-
Sales tax	-	-	-	-
Intergovernmental	171,602	-	-	-
Miscellaneous	179	-	300	-
Interest income	-	-	-	-
Grants	-	52,331	-	-
Reimbursements	-	-	-	-
	<u>173,416</u>	<u>52,331</u>	<u>300</u>	<u>-</u>
Total cash receipts				
Expenditures and transfers:				
Personal services	114,630	6,666	-	-
Contractual services	8,504	9,188	-	-
Commodities	569	37,948	-	-
Transfers	29,911	527	-	-
	<u>153,614</u>	<u>54,329</u>	<u>-</u>	<u>-</u>
Total expenditures and transfers				
Receipts over (under) expenditures and transfers	19,802	(1,998)	300	-
Unencumbered cash, beginning	<u>28,792</u>	<u>57,940</u>	<u>23,367</u>	<u>2,993</u>
Unencumbered cash, ending	<u>\$ 48,594</u>	<u>\$ 55,942</u>	<u>\$ 23,667</u>	<u>\$ 2,993</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Non-budgeted Special Purpose Funds

	<u>Violent Offenders</u>	<u>Drug Test and Supervision</u>	<u>INK Fee Fund</u>	<u>Attorney Training</u>
Cash receipts:				
Charges for services	\$ -	\$ -	\$ 29,542	\$ -
Licenses, permits, and fees	19,483	19,311	-	-
Motor vehicle tax	-	-	-	-
Sales tax	-	-	-	-
Intergovernmental	-	-	-	3,333
Miscellaneous	-	-	-	-
Interest income	-	-	-	-
Grants	-	-	-	-
Reimbursements	-	-	-	-
	<u>19,483</u>	<u>19,311</u>	<u>29,542</u>	<u>3,333</u>
Total cash receipts	<u>19,483</u>	<u>19,311</u>	<u>29,542</u>	<u>3,333</u>
Expenditures and transfers:				
Personal services	-	7,405	-	-
Contractual services	7,429	6,530	3,973	1,691
Commodities	-	-	-	-
Transfers	-	172	-	-
	<u>7,429</u>	<u>14,107</u>	<u>3,973</u>	<u>1,691</u>
Total expenditures and transfers	<u>7,429</u>	<u>14,107</u>	<u>3,973</u>	<u>1,691</u>
Receipts over (under) expenditures and transfers	12,054	5,204	25,569	1,642
Unencumbered cash, beginning	<u>11,779</u>	<u>55,495</u>	<u>123,562</u>	<u>11,557</u>
Unencumbered cash, ending	<u>\$ 23,833</u>	<u>\$ 60,699</u>	<u>\$ 149,131</u>	<u>\$ 13,199</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Non-budgeted Special Purpose Funds

	Landfill Closure Fund	Township Road Improvement	Township Traffic Impact Fee	County Treasurer Special
Cash receipts:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and fees	-	269,259	57,026	642,101
Motor vehicle tax	-	-	-	16,577
Sales tax	-	-	-	5,086
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	-
Interest income	-	2,662	766	-
Grants	-	-	-	-
Reimbursements	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total cash receipts	-	271,921	57,792	663,764
Expenditures and transfers:				
Personal services	-	-	-	465,981
Contractual services	-	-	-	45,726
Commodities	-	22,045	-	29,410
Transfers	-	-	-	143,130
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and transfers	-	22,045	-	684,247
Receipts over (under) expenditures and transfers	-	249,876	57,792	(20,483)
Unencumbered cash, beginning	65,885	2,616,786	743,701	104,002
	<hr/>	<hr/>	<hr/>	<hr/>
Unencumbered cash, ending	\$ 65,885	\$ 2,866,662	\$ 801,493	\$ 83,519
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

(Continued)

Year Ended December 31, 2016

Bond and Interest Fund

	Original Budget	Amended Budget	Actual	Variance- Over (Under)
Cash receipts and transfers:				
Ad valorem property tax	\$ -	\$ -	\$ 66	\$ 66
Delinquent tax	-	-	1,529	1,529
Motor vehicle tax	-	-	1,602	1,602
Transfers	<u>3,036,850</u>	<u>3,089,235</u>	<u>3,086,038</u>	<u>(3,197)</u>
Total cash receipts and transfers	<u>\$ 3,036,850</u>	<u>\$ 3,089,235</u>	<u>3,089,235</u>	<u>\$ -</u>
Expenditures:				
Principal	\$ 2,850,000	\$ 2,850,000	2,850,000	\$ -
Interest	141,750	377,788	377,788	-
Fees	100	-	-	-
Reserve	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 3,036,850</u>	<u>\$ 3,227,788</u>	<u>3,227,788</u>	<u>\$ -</u>
Receipts and transfers under expenditures			(138,553)	
Unencumbered cash, beginning			<u>183,641</u>	
Unencumbered cash, ending			<u>\$ 45,088</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

	<u>Solid Waste</u>		
	Budget	Actual	Variance- Over (Under)
Cash receipts:			
Ad valorem property tax	\$ 290,615	\$ 286,131	\$ (4,484)
Delinquent tax	-	4,157	4,157
Motor vehicle tax	39,289	42,861	3,572
Charges for services	958,000	1,211,051	253,051
	<u>\$ 1,287,904</u>	<u>1,544,200</u>	<u>\$ 256,296</u>
Total cash receipts			
Expenditures and transfers:			
Personnel services	\$ 222,539	230,462	\$ 7,923
Contractual services	900,000	923,444	23,444
Commodities	40,000	23,019	(16,981)
Capital outlay	67,579	22,693	(44,886)
Transfers	192,633	222,633	30,000
	<u>\$ 1,422,751</u>	<u>1,422,251</u>	<u>\$ (500)</u>
Total expenditures and transfers			
Receipts over expenditures and transfers		121,949	
Unencumbered cash, beginning		<u>338,432</u>	
Unencumbered cash, ending		<u>\$ 460,381</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Sewer District No. 1

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Special assessments	\$ 31,575	\$ 31,575	\$ -
Expenditures:			
Contractual services	\$ 31,075	29,001	\$ (2,074)
Commodities	500	104	(396)
Total expenditures	<u>\$ 31,575</u>	<u>29,105</u>	<u>\$ (2,470)</u>
Receipts over expenditures		2,470	
Unencumbered cash, beginning		<u>27,463</u>	
Unencumbered cash, ending		<u>\$ 29,933</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Sewer District No. 2

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Special assessments	\$ 42,550	\$ 43,600	\$ 1,050
Fees	-	375	375
Total cash receipts	<u>\$ 42,550</u>	<u>43,975</u>	<u>\$ 1,425</u>
Expenditures:			
Contractual services	\$ 39,800	10,507	\$ (29,293)
Commodities	2,750	4,018	1,268
Total expenditures	<u>\$ 42,550</u>	<u>14,525</u>	<u>\$ (28,025)</u>
Receipts over expenditures		29,450	
Unencumbered cash, beginning		<u>51,116</u>	
Unencumbered cash, ending		<u>\$ 80,566</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Sewer District No. 3

	Original Budget	Amended Budget	Actual	Variance- Over (Under)
Cash receipts:				
Special assessments	\$ 103,212	\$ 103,212	\$ 103,212	\$ -
Expenditures:				
Contractual services	\$ 33,000	\$ 38,000	35,255	\$ (2,745)
Debt service	70,212	70,212	70,212	-
Total expenditures	\$ 103,212	\$ 108,212	105,467	\$ (2,745)
Receipts under expenditures			(2,255)	
Unencumbered cash, beginning			46,631	
Unencumbered cash, ending			\$ 44,376	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Sewer District No. 5

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Special assessments	\$ 10,800	\$ 10,800	\$ -
Expenditures:			
Contractual services	\$ 9,250	3,424	\$ (5,826)
Commodities	1,550	2,164	614
Total expenditures	<u>\$ 10,800</u>	<u>5,588</u>	<u>\$ (5,212)</u>
Receipts over expenditures		5,212	
Unencumbered cash, beginning		<u>78,274</u>	
Unencumbered cash, ending		<u>\$ 83,486</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Sewer District No. 6

Unencumbered cash, beginning	<u>\$ 6,678</u>
Unencumbered cash, ending	<u><u>\$ 6,678</u></u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Sewer District No. 7

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
Cash receipts:			
Special assessments	\$ 63,920	\$ 64,490	\$ 570
Expenditures:			
Contractual services	\$ 40,000	40,000	\$ -
Debt service	23,920	23,918	(2)
Total expenditures	<u>\$ 63,920</u>	<u>63,918</u>	<u>\$ (2)</u>
Receipts over expenditures		572	
Unencumbered cash, beginning		<u>28,438</u>	
Unencumbered cash, ending		<u>\$ 29,010</u>	

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Trust Fund - Special Law Enforcement

Cash receipts:		
Taxes	\$	32,176
Expenditures:		
Commodities		<u>35,628</u>
Receipts under expenditures		(3,452)
Unencumbered cash, beginning		<u>35,430</u>
Unencumbered cash, ending	\$	<u><u>31,978</u></u>

LEAVENWORTH COUNTY, KANSAS

SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUNDS

REGULATORY BASIS

Year Ended December 31, 2016

Agency Funds

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Funds:				
Road and Bridge Escrow	\$ 63,424	\$ 7,725	\$ 2,400	\$ 68,749
Payroll Clearing	270,314	20,762,779	20,799,248	233,845
Cash Over or Short	227	-	-	227
Sales Tax Vehicle	282,317	4,281,816	4,305,501	258,632
Current Ad Valorem Tax	44,946,017	79,805,751	78,356,359	46,395,409
Motor Vehicle Tax	453,337	9,278,523	9,347,514	384,346
Recreational Vehicle Tax	3,687	134,274	134,194	3,767
In Lieu of Tax	1,332	1,357	-	2,689
Redemption	571,890	1,073,231	1,234,290	410,831
City/County Highway Fuel Tax	-	1,738,374	1,738,374	-
Delinquent Taxes	19,504	114,117	111,367	22,254
Real Estate Part Pay Property Tax	11,242	11,272	6,972	15,542
Personal Property Part Pay Property Tax	2,677	574	849	2,402
Advance Taxes	-	7,942	7,942	-
Local Alcohol Liquor Tax	9,538	36,705	46,243	-
Special County Mineral Production Tax	-	566	459	107
Change - Treasurer Overcharge	9,442	88,981	84,299	14,124
Tax Escrow Delinquent	68,513	94,260	36,451	126,322
State Institutional Building	-	344,492	344,492	-
State Education Building	-	688,985	688,985	-
Game Licenses - State	68	2,552	2,584	36
Park Permits - State	-	12,730	12,730	-
Statutory Filing Fee	50	500	-	550
Unclaimed Legacies	51,781	-	-	51,781
CMB State Stamps	100	25	-	125
Kansas Drivers License Records	160	96,285	95,306	1,139
County Sales Tax	550	660	585	625
Commercial Motor Vehicle	69,496	959,113	961,901	66,708
Subtotals	<u>\$ 46,835,666</u>	<u>\$ 119,543,589</u>	<u>\$ 118,319,045</u>	<u>\$ 48,060,210</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUNDS

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Agency Funds

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Subtotals forward	\$ 46,835,666	\$ 119,543,589	\$ 118,319,045	\$ 48,060,210
Auto Registration	-	2,859,349	2,859,349	-
Auto Titles - State	-	157,549	157,549	-
Auto Transfer - State	-	317,210	317,210	-
Antique Auto Tax	-	22,386	22,386	-
Antique Auto Fees	-	9,590	9,590	-
Bonner Springs City	-	880	880	-
Bonner Springs City Library	-	190	190	-
Bonner Springs City Bond and Interest	-	165	165	-
Leavenworth City - General	-	3,551,098	3,551,098	-
Leavenworth City - Bond and Interest	-	1,900,527	1,900,527	-
Leavenworth City - Employee Benefit	-	73	73	-
Leavenworth City - Fireman's Pension	-	150,141	150,141	-
Leavenworth City - Library	-	867,131	867,131	-
Leavenworth City - Police Pension	-	14,142	14,142	-
Leavenworth City - Recreation	-	562,436	562,436	-
Leavenworth City - Paving	-	75,360	75,360	-
Leavenworth City - Miscellaneous	-	58,228	58,228	-
Leavenworth City - Fuel Tax	-	107,936	107,936	-
Leavenworth City - Library Employee Benefits	-	195,858	195,858	-
Leavenworth City - TIF	-	126,217	126,217	-
Basehor City - General	-	1,325,006	1,325,006	-
Basehor City - Bond and Interest	-	76,985	76,985	-
Basehor City - Employee Benefit	-	476,704	476,704	-
Basehor City - Sewer	-	681,731	681,731	-
Basehor City - Miscellaneous	-	39,486	39,486	-
Basehor City - Fuel Tax	-	14,255	14,255	-
Basehor City - Paving	-	28,330	28,330	-
Easton City - General	-	26,097	26,097	-
Easton City - Fuel Tax	-	695	695	-
Easton City - Bond and Interest	-	5,335	5,335	-
Subtotals	\$ 46,835,666	\$ 133,194,679	\$ 131,970,135	\$ 48,060,210

(Continued)

LEAVENWORTH COUNTY, KANSAS

SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUNDS

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Agency Funds

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Subtotals forward	\$ 46,835,666	\$ 133,194,679	\$ 131,970,135	\$ 48,060,210
De Soto City - General	-	747	747	-
De Soto City - Bond and Interest	-	585	585	-
De Soto City - Law Enforcement	-	543	543	-
Lansing City - General	-	2,387,308	2,387,308	-
Lansing City - Bond and Interest	-	1,109,247	1,109,247	-
Lansing City - Library	-	217,125	217,125	-
Lansing City - Sewer	-	97,141	97,141	-
Lansing City - Paving	-	169,983	169,983	-
Lansing City - Miscellaneous	-	72,898	72,898	-
Lansing City - Fuel Tax	-	34,420	34,420	-
Linwood City - General	-	42,966	42,966	-
Linwood City - Bond and Interest	-	25,309	25,309	-
Linwood City - Miscellaneous	-	400	400	-
Linwood City - Fuel Tax	-	1,217	1,217	-
Tonganoxie City - General	-	1,119,380	1,119,380	-
Tonganoxie City - Library	-	43,127	43,127	-
Tonganoxie City - Bond and Interest	-	380,043	380,043	-
Tonganoxie City - Employee Benefits	-	1,948	1,948	-
Tonganoxie City - Library	-	240,629	240,629	-
Tonganoxie City - Fuel Tax	-	15,298	15,298	-
Tonganoxie City - Paving	-	11,011	11,011	-
Tonganoxie City - Miscellaneous Assessment	-	1,485	1,485	-
Lan-Del Water Miscellaneous Special	-	527	527	-
Fowler Cemetery	-	1,368	1,368	-
Wild Horse Cemetery	-	1,067	1,067	-
Union Fire District #9	-	31,615	31,615	-
Fire District #1	-	1,045,547	1,045,547	-
Big Stranger Drainage District	-	4,499	4,499	-
Lenape Drainage District	-	1,923	1,923	-
West Loring Drainage District	4,937	-	-	4,937
Basehor Community Library	-	743,652	743,652	-
Subtotals	\$ 46,840,603	\$ 140,997,687	\$ 139,773,143	\$ 48,065,147

(Continued)

LEAVENWORTH COUNTY, KANSAS

SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUNDS

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Agency Funds

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Subtotals forward	\$ 46,840,603	\$ 140,997,687	\$ 139,773,143	\$ 48,065,147
Linwood Library	-	197,329	197,329	-
NE Kansas Library	-	184,193	184,193	-
NE Kansas Employee Benefit Fund	-	20,998	20,998	-
Linwood Library Employee Benefit Fund	-	13,419	13,419	-
Basehor Community Library - Bond and Interest	-	184,729	184,729	-
Alexandria Township - General	-	7,428	7,428	-
Alexandria Township - Fire Maintenance	-	13,185	13,185	-
Alexandria Township - Fire Equipment	-	13,186	13,186	-
Easton Township - General	-	100,854	100,854	-
Fairmount Township - General	-	533,868	533,868	-
High Prairie Township - General	-	28,983	28,983	-
Kickapoo Township - General	-	94,476	94,476	-
Reno Township - General	-	131,950	131,950	-
Sherman Township - General	-	145,941	145,941	-
Stranger Township - General	-	107,737	107,737	-
Tonganoxie Township - General	-	127,316	127,316	-
Tonganoxie Township - Fire Equipment	-	87,862	87,862	-
Tonganoxie Township - Fire Maintenance	-	53,375	53,375	-
USD 204 Wyandotte - General	-	70,325	70,325	-
USD 204 Wyandotte - Capital Outlay	-	32,706	32,706	-
USD 204 Wyandotte - Bond and Interest	-	74,633	74,633	-
USD 204 Wyandotte - General Supplemental	-	68,596	68,596	-
USD 207 Fort Leavenworth - General	-	47,884	47,884	-
USD 207 Fort Leavenworth - General Supplemental	-	55,869	55,869	-
USD 207 Fort Leavenworth - Capital Outlay	-	11,963	11,963	-
USD 339 - General	-	1,051	1,051	-
USD 339 - Bond and Interest	-	578	578	-
USD 339 - General Supplemental	-	1,760	1,760	-
USD 339 - Capital Outlay	-	555	555	-
Subtotals	<u>\$ 46,840,603</u>	<u>\$ 143,410,436</u>	<u>\$ 142,185,892</u>	<u>\$ 48,065,147</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUNDS

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Agency Funds

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Subtotals forward	\$ 46,840,603	\$ 143,410,436	\$ 142,185,892	\$ 48,065,147
USD 339 - Severed Minerals	-	7	7	-
USD 491 - General	-	44,888	44,888	-
USD 491 - Capital Outlay	-	20,685	20,685	-
USD 491 - General Supplemental	-	41,738	41,738	-
USD 491 - Bond and Interest	-	74,808	74,808	-
USD 342 - General	-	130,001	130,001	-
USD 342 - Capital Outlay	-	41,766	41,766	-
USD 342 - Bond and Interest	-	37,110	37,110	-
USD 342 - Recreation	-	16,939	16,939	-
USD 342 - General Supplemental	-	162,408	162,408	-
USD 342 - Severed Minerals	-	53	53	-
USD 449 - General	-	647,818	647,818	-
USD 449 - Capital Outlay	-	207,864	207,864	-
USD 449 - Bond and Interest	-	451,726	451,726	-
USD 449 - General Supplemental	-	772,100	772,100	-
USD 449 - Severed Minerals	-	160	160	-
USD 453 - General	-	3,319,663	3,319,663	-
USD 453 - Capital Outlay	-	1,509,296	1,509,296	-
USD 453 - Bond and Interest	-	4,218,882	4,218,882	-
USD 453 - Special Assessments	-	10	10	-
USD 453 - General Supplemental	-	3,542,752	3,542,752	-
USD 458 - General	-	2,475,604	2,475,604	-
USD 458 - Capital Outlay	-	1,125,634	1,125,634	-
USD 458 - Bond and Interest	-	3,236,244	3,236,244	-
USD 458 - General Supplemental	-	2,097,354	2,097,354	-
USD 458 - Special Assessments	-	18,791	18,791	-
USD 458 - Severed Minerals	-	1	1	-
Subtotals	<u>\$ 46,840,603</u>	<u>\$ 167,604,738</u>	<u>\$ 166,380,194</u>	<u>\$ 48,065,147</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

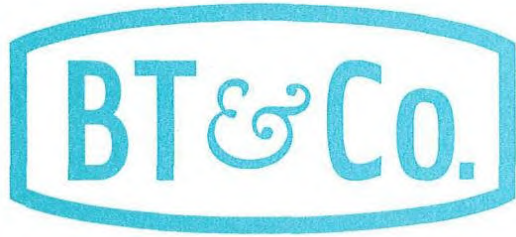
SUMMARY OF RECEIPTS AND DISBURSEMENTS - AGENCY FUNDS

REGULATORY BASIS
(Continued)

Year Ended December 31, 2016

Agency Funds

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Subtotals forward	\$ 46,840,603	\$ 167,604,738	\$ 166,380,194	\$ 48,065,147
USD 464 - General	-	1,801,408	1,801,408	-
USD 464 - Capital Outlay	-	457,818	457,818	-
USD 464 - Bond and Interest	-	2,309,264	2,309,264	-
USD 464 - Recreation	-	508,625	508,625	-
USD 464 - General Supplemental	-	1,784,533	1,784,533	-
USD 464 - Recreation Benefits	-	113,466	113,466	-
USD 464 - Severed Minerals	-	2	2	-
USD 469 - General	-	2,263,887	2,263,887	-
USD 469 - Capital Outlay	-	556,508	556,508	-
USD 469 - Bond and Interest	-	2,626,424	2,626,424	-
USD 469 - Special Assessments	-	252,739	252,739	-
USD 469 - General Supplemental	-	2,083,440	2,083,440	-
USD 469 - Severed Minerals	-	7	7	-
USD 497 - General	-	97,002	97,002	-
USD 497 - Capital Outlay	-	46,435	46,435	-
USD 497 - Bond and Interest	-	59,338	59,338	-
USD 497 - Special Assessments	-	103	103	-
USD 497 - Adult Education	-	860	860	-
USD 497 - General Supplemental	-	101,167	101,167	-
USD 497 - Cost of Living	-	8,298	8,298	-
District Court	378,461	2,831,100	2,742,826	466,735
Sheriff	-	132,026	132,026	-
Total Agency Funds	<u>\$ 47,219,064</u>	<u>\$ 185,639,188</u>	<u>\$ 184,326,370</u>	<u>\$ 48,531,882</u>



BERBERICH TRAHAN & CO., P.A.
Certified Public Accountants

LEAVENWORTH COUNTY, KANSAS

SINGLE AUDIT REPORTS AND
SUPPLEMENTARY SCHEDULES
YEAR ENDED DECEMBER 31, 2016

LEAVENWORTH COUNTY, KANSAS

SINGLE AUDIT REPORTS AND SUPPLEMENTARY SCHEDULES

Year Ended December 31, 2016

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INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The County Commissioners
Leavenworth County, Kansas:

We have audited, in accordance with the 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, the financial statement of Leavenworth County, Kansas (the County) which comprises the summary statement of regulatory basis receipts, expenditures and unencumbered cash as of December 31, 2016 and the related notes to the financial statement and have issued our report thereon dated May 23, 2017. Our opinion contained an adverse opinion because the County prepared this regulatory basis financial statement to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, we do not express an opinion on the effectiveness of the County’s internal control.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County’s financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses and significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2016-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free from 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*.

County's Response to Findings

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berberich Trahan & Co., P.A.

May 23, 2017
Topeka, Kansas



INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The County Commissioners
Leavenworth County, Kansas:

Report on Compliance for Each Major Federal Program

We have audited Leavenworth County, Kansas’s (the County’s) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the year ended December 31, 2016. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Basis for Qualified Opinion on Formula Grants for Rural Areas (CFDA 20.509)

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding Formula Grants for Rural Areas (CFDA 20.509) as described in Finding 2016-003 for Allowable Costs/Cost Principles and Reporting, 2016-004 for Allowable Costs/Cost Principles, and Period of Performance and 2016-005 for Matching. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

Qualified Opinion on Formula Grants for Rural Areas (CFDA 20.509)

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Formula Grants for Rural Areas (CFDA 20.509) for the year ended December 31, 2016.

Basis for Qualified Opinion on Aging Cluster (CFDA 93.044, 93.045, and 93.053)

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding the Aging Cluster (CFDA 93.044, 93.045, and 93.053) as described in Finding 2016-003 for Allowable Costs/Cost Principles and Reporting. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

Qualified Opinion on Aging Cluster (CFDA 93.044, 93.045, and 93.053)

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Aging Cluster (CFDA 93.044, 93.045, and 93.053) for the year ended December 31, 2016.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Findings 2016-002, and 2016-006. Our opinion on each major federal program is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2016-003, 2016-004 and 2016-005 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2016-002 and 2016-006 to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the County as of and for the year ended December 31, 2016, and the related notes to the financial statement and have issued our report thereon dated May 23, 2017, which contained an adverse opinion because the County prepared this regulatory basis financial statement to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statement as a whole.

Berberich Trahan & Co., P.A.

May 23, 2017
Topeka, Kansas

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2016

Federal Grantor/ Program Title	Federal CFDA Number	Grantor's Number	Program or Award Amount	Expenditures
U.S. Department of Agriculture:				
Passed through Kansas Department of Health and Environment:				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	201616W100643 201616W100343 201716W100643	\$ -	\$ 223,018
Special Supplemental Nutrition Program for Women, Infants, and Children - BFPC	10.557	2014IW500343	-	<u>6,149</u>
Total U.S. Department of Agriculture				<u>229,167</u>
U.S. Department of Transportation:				
Passed through the Kansas Department of Transportation:				
Passed through Northeast Kansas Coordinated Transit Council (Coordinated Transit District #3):				
Formula Grants for Rural Areas SFY 2016 - Operating	20.509	None	123,317	54,132
Formula Grants for Rural Areas SFY 2016 - Admin	20.509	None	24,941	4,738
Formula Grants for Rural Areas SFY 2017 - Operating	20.509	None	123,317	54,991
Formula Grants for Rural Areas SFY 2017 - Admin	20.509	None	20,252	<u>781</u>
Total U.S. Department of Transportation				<u>114,642</u>
U.S. Department of Health and Human Services:				
Passed through the Wyandotte/Leavenworth Area Agency on Aging:				
Aging Cluster:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	16-01-2B	70,637	70,637
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	16-01-2C(1) and 16-01-2C(2)	121,069	121,069
USDA Nutrition Services Incentive Program	93.053	None	44,810	<u>44,810</u>
Total Aging Cluster				<u>\$ 236,516</u>

(Continued)

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Year Ended December 31, 2016

Federal Grantor/ Program Title	Federal CFDA Number	Grantor's Number	Program or Award Amount	Expenditures
Passed through the Kansas Department of Health and Environment:				
Public Health Emergency Preparedness SFY 2016	93.069	U90TP000523-04	\$ 56,585	<u>\$ 31,372</u>
Public Health Emergency Preparedness SFY 2017	93.069	U90TP000523-05	59,517	<u>30,105</u>
Family Planning Services SFY 2016	93.217	FPHPA076219-01	36,611	<u>19,144</u>
Family Planning Services SFY 2017	93.217	FPHPA076219-02	35,657	<u>17,829</u>
Immunization Action Plan SFY 2016	93.268	H23IP000748-03	10,912	<u>5,456</u>
Immunization Action Plan SFY 2017	93.268	H23IP000748-04	11,492	<u>5,746</u>
CCDF Cluster:				
Child Care and Development Block Grant SFY 2016	93.575	None	27,726	13,863
Child Care and Development Block Grant SFY 2017	93.575	None	26,492	<u>13,246</u>
Total CCDF Cluster				<u>27,109</u>
Medicaid Cluster:				
Medical Assistance Program SFY 2016	93.778	None	24,577	12,298
Medical Assistance Program SFY 2017	93.778	None	24,580	<u>10,689</u>
Total Medicaid Cluster				<u>22,987</u>
Maternal & Child Health SFY 2016	93.994	B04MC29344-01	35,147	<u>17,573</u>
Maternal & Child Health SFY 2017	93.994	B04MC29344-01	35,147	<u>17,574</u>
Total U.S. Department of Health and Human Services				<u>431,411</u>
U.S. Department of Homeland Security:				
Passed through Kansas Division of Emergency Management:				
Emergency Management Performance Grants	97.042	None	14,853	<u>14,853</u>
Total U.S. Department of Homeland Security				<u>14,853</u>
				<u>\$ 790,073</u>

See accompanying notes to schedule of expenditures of federal awards.

LEAVENWORTH COUNTY, KANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2016

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Leavenworth County, Kansas (the County) under programs of the federal government for the year ended December 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position of the County.

2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on a regulatory basis of accounting. This basis is designed to meet the requirements of the State of Kansas and follows the provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The expenditures on the Schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statement.

The County has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

December 31, 2016

Section I - Summary of Independent Auditor's Results

Financial Statement

Type of report issued on whether the financial statement audited was prepared in accordance with GAAP:	Adverse
Type of auditor's report issued on the basis of accounting used by the County:	Unmodified – regulatory basis
Internal control over financial reporting:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	2016-001
Noncompliance material to the financial statement noted:	None

Federal Awards

Types of auditor's report issued on compliance for major programs:	Aging Cluster: Qualified – Allowable Costs/Cost Principles, and Reporting Formula Grants for Rural Areas: Qualified – Allowable Costs/Cost Principles, Period of Performance, Reporting and Matching
Internal control over major programs:	
Material weaknesses identified:	2016-003, 2016-004, 2016-005
Significant deficiencies identified that are not considered to be material weaknesses:	2016-002, 2016-006
Any audit findings that are required to be reported in accordance with Section 2 CFR 200.516(a):	Yes

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section I - Summary of Independent Auditor's Results (Continued)

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Rural Areas
93.044, 93.045, 93.053	Aging Cluster

Dollar threshold used to distinguish between
Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee: No

Section II – Financial Statement Findings

Finding 2016-001 Significant Deficiency

Prior Reference Number – 2015-001

Federal Program – All federal programs

Compliance Requirement – All compliance requirements

Condition – The County was not able to provide a schedule of expenditures of federal awards (SEFA) for the County's federal programs.

Criteria – An entity that expends federal awards must have controls in place that would enable the entity to compile a SEFA. A SEFA identifies and tracks all federal awards and their related information, including but not limited to the Catalog of Federal Domestic Assistance number, grant award title, grant award amount and federal expenditures.

Cause – The County does not have controls in place to centrally track all federal awards related only to the County. The County does not have an individual or a department with the necessary knowledge to administer and track the expenditures for the County's federal programs.

Effect – A SEFA allows for increased knowledge of all federal grant activity at the County level. The lack of a SEFA hinders this knowledge and could lead to grant noncompliance in the event of individual grant administrator turnover.

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II – Financial Statement Findings (Continued)

Finding 2016-001 Significant Deficiency (Continued)

Questioned Costs – None.

Recommendation – We recommend that all federal grants at the County be tracked by a central grant administrator or department that would prepare the SEFA and oversee expenditures of and compliance with the federal grant programs.

Management's Response (Unaudited) – In consultation with the county Financial Administrator, we will recommend additional staff to serve as a grant administrator for all federal grants.

Corrective Action Plan (Unaudited) – We will proceed with the development of a job description for a Grant Administrator. A personnel line item has been added to the County Clerk's 2018 budget for this position.

Contact Name (Unaudited) – Janet Klasinski

Expected Completion Date (Unaudited) – 2017

Section III – Federal Award Findings and Questioned Costs

Finding 2016-002 Significant Deficiency

Prior Reference Number – 2015-002

Federal Program – Aging Cluster: Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers (CFDA No. 93.044), Special Programs for the Aging – Title III, Part C – Nutrition Services (CFDA No. 93.045) and USDA Nutrition Services Incentive Program (CFDA No. 93.053); U.S. Department of Health and Human Services; Passed through the Wyandotte/Leavenworth Area Agency on Aging; Grant Award Nos. 16-01-2B, 16-01-2C(1), and 16-01-2C(2)

Compliance Requirement – Allowable Costs/Cost Principles

Condition – Employees' salaries and benefits were allocated to these grants based on estimates rather than actual time spent on grant activities.

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-002 Significant Deficiency (Continued)

Criteria – According to 2 CFR Part 200.430, *Compensation—personal services*, the “Standards for Documentation of Personnel Expenses” state that personnel costs charged to a federal program must be supported as follows (selected excerpts):

“Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. [...]

- (viii) Budget estimates (i.e. estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that:
 - (A) The system for establishing the estimates produces reasonable approximations of the activity actually performed;
 - (B) Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and
 - (C) The non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal awards based on budget estimates. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.”

Cause – While the County maintained appropriate personnel activity reports for employees that worked on multiple activities, payroll expenditures allocated to this grant were based on estimates rather than actual time spent on grant activities.

Effect – The County could be allocating unallowable costs to these grants if the estimates used do not reflect an actual account of the employees’ time spent.

Questioned Costs – Unknown; the questioned costs derived from the sample cannot be extrapolated to the entire population because the County was unable to provide the total federal expenditures charged to the grant directly related to payroll.

Recommendation – The County should implement controls to ensure employees’ salaries or wages and benefits are allocated to grants based on actual time spent.

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-002 Significant Deficiency (Continued)

Management's Response (Unaudited) – The County will implement controls to ensure employees' salaries and wages are allocated to grants based on actual time spent.

Corrective Action Plan (Unaudited) – Personnel who work on multiple activities submit an activities report at the end of each pay period reflecting actual hours dedicated to grants. Instead of estimating salaries and wages for reports, those timesheets will be used to calculate actual time spent on grants. The numbers, with federal percentages breakdowns, will also be forwarded to the County Clerk's office monthly for entry into their federal expenditures ledger.

Contact Name (Unaudited) – Kathy Miller

Expected Completion Date (Unaudited) – Program is in place.

Finding 2016-003 Material Weakness

Prior Reference Number – 2015-003

Federal Program – Aging Cluster: Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers (CFDA No. 93.044), Special Programs for the Aging – Title III, Part C – Nutrition Services (CFDA No. 93.045) and USDA Nutrition Services Incentive Program (CFDA No. 93.053); U.S. Department of Health and Human Services; Passed through the Wyandotte/Leavenworth Area Agency on Aging; Grant Award Nos. 16-01-2B, 16-01-2C(1), and 16-01-2C(2); and Formula Grants for Rural Areas (CFDA No. 20.509); U.S. Department of Transportation; Passed through the Kansas Department of Transportation and the Northeast Kansas Coordinated Transit Council (Coordinated Transit District #3)

Compliance Requirement – Allowable Costs/Cost Principles and Reporting

Condition – The County does not maintain a ledger detailing payroll expenditures charged to the federal program.

Criteria – An entity that expends federal awards must be able to track individual federal expenditures for each program.

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-003 Material Weakness (Continued)

Cause – The County does not have controls in place to track individual payroll expenditures for the federal award.

Effect – A ledger of federal expenditures allows for increased knowledge of the federal grant’s activity. The lack of a ledger hinders this knowledge and could lead to grant noncompliance in the event of individual grant administrator turnover.

Questioned Costs – None.

Recommendation – We recommend that the federal grant’s payroll activity be tracked by a detailed ledger to assist in the oversight of expenditures and compliance with the federal grant program.

Management’s Response (Unaudited) – The Council on Aging bookkeeper and clerk’s office are working together to track individual payroll expenditures.

Corrective Action Plan (Unaudited) – A ledger has been created that tracks, by detail, expenditures in compliance with federal grant programs.

Contact Name (Unaudited) – Kathy Miller

Expected Completion Date (Unaudited) – Program is in place.

Finding 2016-004 Material Weakness

Prior Reference Number – 2015-004

Federal Program – Formula Grants for Rural Areas (CFDA No. 20.509); U.S. Department of Transportation; Passed through the Kansas Department of Transportation and the Northeast Kansas Coordinated Transit Council (Coordinated Transit District #3)

Compliance Requirement – Allowable Costs/Cost Principles and Period of Performance

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-004 Material Weakness (Continued)

Condition – For the first five months of the fiscal year, the County’s drivers did not complete personnel activity reports to support the distribution of their salary or wages between federal and non-federal activities. Beginning in June 2016, the drivers prepared such personnel activity reports. However, not all personnel activity reports were maintained by the County. For the entire fiscal year, the County’s dispatchers did not complete personnel activity reports or certifications to support the distribution of their salary or wages between federal and non-federal activities. As such, the entire fiscal year, dispatchers’ salaries and benefits were allocated to the grant based on estimates rather than actual time spent on grant activities.

For the first eight months during the fiscal year, the County’s drivers' non-federal activity was included in personnel costs charged to the grant. For the last four months of the fiscal year, the hourly rate used to remove non-federal activity from personnel costs charged to the grant was based on outdated payroll information.

For the last four months of the fiscal year, a portion of the salary of the transportation compliance specialist, who acted as both a dispatcher and as the program administrator, was double-allocated between the operating portion and the administration portion of the federal program.

Criteria – According to 2 CFR Part 200.430, *Compensation—personal services*, the “Standards for Documentation of Personnel Expenses” state that personnel costs charged to a federal program must be supported as follows (selected excerpts):

“Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated; [...]
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. [...]
- (viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes[.]”

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-004 Material Weakness (Continued)

Cause – During the prior fiscal year, there was grant administrator turnover. The new grant administrator lacked the expertise to properly calculate the federal program’s payroll expenditures.

Effect – The County could be allocating unallowable costs to the grant.

Questioned Costs – Unknown; personnel activity reports showing the distribution of actual activity, which were not available for the first five months of the year for drivers and the entire year for dispatchers, would need to be compared to the estimated activity allocated to the grants for each employee.

Recommendation – The County ended the grant program as of January 2017. As such, no further action is recommended.

Management’s Response (Unaudited) – The County elected to discontinue the grant program as of January 1, 2017.

Corrective Action Plan (Unaudited) – No corrective action plan required at this time.

Contact Name (Unaudited) – Linda Lobb

Expected Completion Date (Unaudited) – N/A

Finding 2016-005 Material Weakness

Prior Reference Number – 2015-006

Federal Program – Formula Grants for Rural Areas (CFDA No. 20.509); U.S. Department of Transportation; Passed through the Kansas Department of Transportation and the Northeast Kansas Coordinated Transit Council (Coordinated Transit District #3)

Compliance Requirement – Matching

Condition – The County failed to monitor matching requirements.

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-005 Material Weakness (Continued)

Criteria – The County is required to provide local contributions of 20% for project administration and 30% for project operations to match Federal awards.

Cause – During fiscal year 2015, there was grant administrator turnover. The new grant administrator was not aware of the County’s matching requirements.

Effect – The County may not be meeting the grantor’s requirements to provide contributions of a specified percentage to match Federal awards.

Questioned Costs – Unknown; the amount that the County failed to match would need to be compared to what was charged to the federal grant. Without a proper tracking mechanism in place, it is not possible to determine if questioned costs exist.

Recommendation – The County ended the grant program as of January 2017. As such, no further action is recommended.

Management’s Response (Unaudited) – The County elected to discontinue the grant program as of January 1, 2017.

Corrective Action Plan (Unaudited) – No corrective action plan required at this time.

Contact Name (Unaudited) – Linda Lobb

Expected Completion Date (Unaudited) – N/A

Finding 2016-006 Significant Deficiency

Prior Reference Number – 2015-007

Federal Program – Formula Grants for Rural Areas (CFDA No. 20.509); U.S. Department of Transportation; Passed through the Kansas Department of Transportation and the Northeast Kansas Coordinated Transit Council (Coordinated Transit District #3)

Compliance Requirement – Cash Management and Reporting

LEAVENWORTH COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section III – Federal Award Findings and Questioned Costs (Continued)

Finding 2016-006 Significant Deficiency (Continued)

Condition – The County did not maintain evidence of review of reimbursement requests submitted between January 2016 and July 2016.

Criteria – Information reported to the grantor should be reviewed for accuracy and approved by an individual with direct knowledge of the program prior to submission.

Cause – Evidence of review was not maintained for the first half of the fiscal year due to grant administrator turnover.

Effect – The County could provide the grantor with inaccurate reimbursement requests if there is no review of the requests prior to submission.

Questioned Costs – None.

Recommendation – As of August 2016, the County maintained evidence of review of reimbursement requests. The County ended the grant program as of January 2017. As such, no further action is recommended.

Management's Response (Unaudited) – The situation with the transportation manager was rectified and a personnel change was made. The County elected to discontinue the grant program as of January 1, 2017.

Corrective Action Plan (Unaudited) – No corrective action plan required at this time.

Contact Name (Unaudited) – Linda Lobb

Expected Completion Date (Unaudited) – N/A