

HAMILTON COUNTY, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2018**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	1

FINANCIAL SECTION

Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
Notes to the Financial Statement	4

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

Schedule 1	
Summary of Expenditures – Actual and Budget	14
Schedule 2	
Schedule of Receipts and Expenditures	
2-1 General Fund	15

Special Purpose Funds

2-2 Alcohol Revenue Fund.....	22
2-3 Library Fund.....	23
2-4 Library Employee Benefits Fund	24
2-5 Enhancement 911 Fund.....	25
2-6 Fire District #1 Fund.....	26
2-7 Non-Budgeted Special Purpose Funds.....	27

Bond and Interest Funds

2-8 Bond and Interest Fund	29
2-9 No-Fund Warrants – Non-Taxable	30
2-10 No-Fund Warrants – Taxable.....	31
2-11 No-Fund Warrants – 2016	32

Business Funds

2-12 Non-Budgeted Business Funds	33
--	----

Agency Funds

Schedule 3	
Summary of Receipts and Disbursements.....	34

Kennedy
McKee & Company LLP Certified Public Accountants

1100 W. Frontview
P. O. Box 1477
Dodge City, Kansas 67801
Tel. (620) 227-3135
Fax (620) 227-2308
www.kmc-cpa.com

JAMES W. KENNEDY, CPA
ROBERT C. NEIDHART, CPA
PATRICK M. FRIESS, CPA
JOHN W. HENDRICKSON, CPA

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Hamilton County, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Hamilton County, Kansas as of and for the year ended December 31, 2018, 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 A; 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 and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on 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 entity'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 entity'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 A, 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 A 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 Hamilton County, Kansas as of December 31, 2018, 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 balances of Hamilton County, Kansas as of December 31, 2018, 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 A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures, and summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for 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 A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Hamilton County, Kansas as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated July 5, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents), is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 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 2017 basic financial statement or to the 2017 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 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2017, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

September 10, 2019

HAMILTON COUNTY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended December 31, 2018

Funds	Beginning unencumbered cash balance (deficit)	Prior year canceled encumbrances	Receipts
General fund	\$ 267,306	\$ -	\$ 5,488,198
Special purpose funds:			
Alcohol revenue	2,037	-	3,682
Library	9,459	-	168,826
Library employee benefits	3,595	-	36,055
Enhancement 911	76,432	-	50,469
Fire district #1	21,786	-	44,980
Non-budgeted special purpose funds:			
Capital improvement	1,246,432	-	343,715
Special machinery	3,874	-	-
Special road	574	-	-
Sheriff's funds	33,297	-	51,242
Special attorney trust drug money	794	-	683
County attorney forfeiture	436	-	-
Diversion fee	21,587	-	21,750
Special vehicle	-	-	25,089
County sales tax	354,964	-	180,240
EMT trust	7,350	-	3,945
Prosecuting attorney training	784	-	616
Clerk technology	1,138	-	1,106
Register of deeds technology	12,208	-	4,422
Treasurer technology	3,674	-	1,106
Health bio-terrorism	21,249	-	8,444
Health maternal child	4,349	-	8,252
Solid waste management	(2,703)	-	121,609
Micro loan	122,288	-	10,416
Special law enforcement trust	1,288	-	-
Total special purpose funds	<u>1,946,892</u>	<u>-</u>	<u>1,086,647</u>
Bond and interest funds:			
Bond and interest	13,034	-	75,861
No-fund warrants - non-taxable	20,967	-	-
No-fund warrants - taxable	22,899	-	-
No-fund warrants - 2016	-	-	624,400
Total bond and interest funds	<u>56,900</u>	<u>-</u>	<u>700,261</u>
Business funds:			
Sunflower Square	41,341	-	106,435
VIP Center	1,350	-	700
Total business funds	<u>42,691</u>	<u>-</u>	<u>107,135</u>
Total reporting entity - excluding agency funds	<u>\$ 2,313,789</u>	<u>\$ -</u>	<u>\$ 7,382,241</u>
Composition of cash balance:			
Cash on hand			
Checking accounts			
Money market			
Certificates of deposit			
Total cash			
Agency funds			
Total reporting entity - excluding agency funds			

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

Statement 1

Expenditures	Residual equity transfers	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
\$ 5,425,314	\$ 132,761	\$ 462,951	\$ 126,704	\$ 589,655
2,600	-	3,119	-	3,119
170,000	-	8,285	-	8,285
36,913	-	2,737	-	2,737
59,968	-	66,933	-	66,933
45,787	-	20,979	-	20,979
253,550	-	1,336,597	-	1,336,597
-	-	3,874	-	3,874
-	-	574	-	574
28,175	-	56,364	-	56,364
-	-	1,477	-	1,477
-	-	436	-	436
11,669	-	31,668	-	31,668
25,089	-	-	-	-
149,404	-	385,800	-	385,800
1,540	-	9,755	-	9,755
968	-	432	-	432
1,528	-	716	1,527	2,243
3,868	-	12,762	-	12,762
1,519	-	3,261	-	3,261
9,593	-	20,100	-	20,100
5,783	-	6,818	-	6,818
108,852	-	10,054	9,070	19,124
633	-	132,071	-	132,071
-	-	1,288	-	1,288
917,439	-	2,116,100	10,597	2,126,697
-	(88,895)	-	-	-
-	(20,967)	-	-	-
-	(22,899)	-	-	-
624,400	-	-	-	-
624,400	(132,761)	-	-	-
139,683	-	8,093	12,454	20,547
-	-	2,050	-	2,050
139,683	-	10,143	12,454	22,597
\$ 7,106,836	\$ -	\$ 2,589,194	\$ 149,755	\$ 2,738,949
				\$ 300
				86,541
				6,682,250
				1,826,940
				8,596,031
				(5,857,082)
				\$ 2,738,949

HAMILTON COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENT

December 31, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the County's financial statement. The financial statement and notes are representations of the County's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Hamilton County, Kansas is a municipal corporation governed by an elected five-member commission. This regulatory financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the County and/or its constituents.

Hamilton County Fair Board. The Fair Board is fiscally dependent on the County and the budget is approved by the County Commissioners. The members of the governing board are appointed by the County Commissioners.

Syracuse-Hamilton County Airport. The Airport is fiscally dependent on the County and the budget is approved by the County Commissioners. The members of the governing board are appointed by the County Commissioners.

Hamilton County Public Library. The Library is fiscally dependent on the County and the budget is approved by the County Commissioners. The members of the governing board are appointed by the County Commissioners. Acquisition or disposition of real property by the Library must be approved by the County. Bond issuances must also be approved by the County.

Tamarisk Golf Course. The Golf Course is fiscally dependent on the County and the budget is approved by the County Commissioners. The members of the governing board are appointed by the County Commissioners.

Hamilton County Extension Council. Hamilton County Extension Council provides services in such areas as agriculture, home economics, and 4-H clubs, to all persons in the County. The Council is an elected four-member executive board. The County annually provides significant operating subsidies to the Council. Kansas State University provides the County Extension Council non-cash receipts and disbursements related to salaries for operations of the Council.

Hamilton County Fire District #1. The District is defined as a separate taxing entity by applicable state statutes. It provides fire protection services to certain unincorporated areas of the County. The costs of providing such services are provided from property taxes assessed to property owners in the District. For financial reporting, the financial activities of the Fire District are accounted for within a special purpose fund.

Hamilton County Pool Board. The Pool Board is fiscally dependent on the County and the budget is approved by the County Commissioners. The members of the governing board are appointed by the County Commissioners.

Syracuse Youth Activities Association. The Association is fiscally dependent on the County and the budget is approved by the County Commissioners. The members of the governing board are appointed by the County Commissioners.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting

The accounts of the County are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the County for the year ended December 31, 2018:

REGULATORY BASIS FUND TYPES

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

Business funds – funds financed in whole or in part by fees charged to users for goods or services.

Agency funds – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing funds, tax collection accounts, etc.).

3. 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 receipts 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.

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.

4. 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), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in a local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. 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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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 schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

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

Capital Improvement	Clerk Technology
Special Machinery	Register of Deeds Technology
Special Road	Treasurer Technology
Sheriff's Funds	Health Bio-Terrorism
Special Attorney Trust Drug Money	Health Maternal Child
County Attorney Forfeiture	Solid Waste Management
Diversion Fee	Micro Loan
Special Vehicle	Special Law Enforcement Trust
County Sales Tax	
EMT Trust	
Prosecuting Attorney Training	

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

B. 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 to have a main or branch bank in the County, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has no investment policy that would further limit its investment choices.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The County's designated "peak periods" of sixty days each begin December 10, and May 1. All deposits were legally secured at December 31, 2018.

At December 31, 2018, the County's carrying amount of deposits was \$8,595,731 and the bank balance was \$8,602,877. Of the bank balance, \$2,562,274 was covered by federal depository insurance, and \$3,023,627 was collateralized with securities held by the pledging financial institutions agents in the County's name, and \$3,016,976 was unsecured under a designated peak period.

C. LONG-TERM DEBT

Changes in long-term liabilities for the County for the year ended December 31, 2018, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
No-fund warrants:					
First National Bank – Series 2016					
Issued August 11, 2016					
In the amount of \$1,115,000					
At interest rate of 4.0%					
Maturing September 1, 2020					
	\$ 836,250	\$ -	\$ 278,750	\$ 557,500	\$ 33,450
Valley State Bank – Series 2016					
Issued August 11, 2016					
In the amount of \$1,115,000					
At interest rate of 4.0%					
Maturing September 1, 2020					
	<u>836,250</u>	<u>-</u>	<u>278,750</u>	<u>557,500</u>	<u>33,450</u>
Total no-fund warrants	<u>1,672,500</u>	<u>-</u>	<u>557,500</u>	<u>1,115,000</u>	<u>66,900</u>

C. LONG-TERM DEBT (CONTINUED)

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Capital leases:					
2011 Toro RM5510 fairway mower Issued March 14, 2017 In the amount of \$23,345 At interest rate of 3.98% Maturing March 14, 2022	\$ 18,305	\$ -	\$ 4,312	\$ 13,993	\$ 728
Eight radios and control station Issued February 1, 2011 In the amount of \$15,764 At interest rate of 4.21% Maturing February 1, 2022	7,525	-	1,384	6,141	316
2017 Cat 953D track loader Issued September 19, 2017 In the amount of \$240,197 At interest rate of 3.32% Maturing September 19, 2024	206,627	-	26,710	179,917	6,860
Three 2010 Cat 140M motor graders Issued July 24, 2017 In the amount of \$375,000 At interest rate of 3.14% Maturing July 24, 2021	295,300	-	70,428	224,872	9,272
Bobcat compact track loader Issued May 2, 2017 In the amount of \$46,062 At interest rate of 2.914% Maturing May 2, 2019	30,265	-	14,915	15,350	882
Toro mower and sprayer Issued April 22, 2014 In the amount of \$20,325 At interest rate of 3.98% Maturing April 22, 2018	4,308	-	4,308	-	213
Cat 140M road grader Issued March 8, 2016 In the amount of \$72,943 At interest rate of 4.01% Maturing February 29, 2020	55,776	-	17,863	37,913	2,237
Cat 140M road grader Issued March 8, 2016 In the amount of \$51,703 At interest rate of 4.01% Maturing February 29, 2020	39,532	-	12,664	26,868	1,586
Versa greens mower Issued March 16, 2016 In the amount of \$14,556 At interest rate of 4.00% Maturing March 16, 2020	11,128	-	3,565	7,563	445

C. LONG-TERM DEBT (CONTINUED)

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Capital leases (continued):					
2013 Toro mower					
Issued March 6, 2018					
In the amount of \$26,390					
At interest rate of 3.98%					
Maturing March 6, 2022	\$ -	\$ 26,390	\$ 5,590	\$ 20,800	\$ -
Total capital leases	<u>668,766</u>	<u>26,390</u>	<u>161,739</u>	<u>533,417</u>	<u>22,539</u>
Total long-term debt	<u>\$2,341,266</u>	<u>\$ 26,390</u>	<u>\$ 719,239</u>	<u>\$1,648,417</u>	<u>\$ 89,439</u>

Current maturities of no-fund warrants and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 557,500	\$ 44,600	\$ 602,100
2020	<u>557,500</u>	<u>22,300</u>	<u>579,800</u>
Total	<u>\$ 1,115,000</u>	<u>\$ 66,900</u>	<u>\$ 1,181,900</u>

Current maturities of capital leases and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 161,870	\$ 18,025	\$ 179,895
2020	151,575	12,523	164,098
2021	118,484	7,255	125,739
2022	37,578	3,420	40,998
2023	31,448	2,122	33,570
2024	<u>32,462</u>	<u>1,108</u>	<u>33,570</u>
Total	<u>\$ 533,417</u>	<u>\$ 44,453</u>	<u>\$ 577,870</u>

D. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory authority</u>	<u>Amount</u>
Operating transfers:			
General	Capital improvement	K.S.A. 19-120	\$ 314,715
General	2016 No-fund warrants	K.S.A. 19-4606	624,400
Special vehicle	General	K.S.A. 8-145	21,360
County sales tax	General	K.S.A. 12-110d	<u>100,000</u>
Total operating transfers			<u>\$1,060,475</u>

D. INTERFUND TRANSFERS (CONTINUED)

<u>From</u>	<u>To</u>	<u>Regulatory authority</u>	<u>Amount</u>
Residual equity transfers:			
No-fund warrants- non-taxable	General	K.S.A. 19-4606	\$ 20,967
No-fund warrants- taxable	General	K.S.A. 19-4606	22,899
Bond and interest	General	K.S.A. 19-4606	<u>88,895</u>
Total residual equity transfers			<u>\$ 132,761</u>
Transfers to related municipal entities:			
General	Airport	K.S.A. 3-121	\$ 38,000
General	Hamilton County VIP	K.S.A. 12-1680	73,000
General	Extension council	K.S.A. 2-610	80,124
General	Hospital	K.S.A. 19-4606	91,136
General	Fair board	K.S.A. 2-129	71,250
General	Pool board	K.S.A. 19-2801	39,900
General	Syracuse youth activities	K.S.A. 19-3903	32,085
General	Tamarisk golf course	Commissioners	45,000
Library	Public library	K.S.A. 12-1220	170,000
Library employee benefits	Public library	K.S.A. 12-16,102	<u>36,913</u>
Total transfers to related municipal entities			<u>\$ 677,408</u>

E. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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 of 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.

Death and disability other post-employment benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

Vacation leave – The County’s policies regarding vacations permit employees to accumulate a maximum of 240 hours of vacation. Upon termination or resignation from service with the County, employees are entitled to payment for all accumulated vacation earned prior to termination or resignation up to a maximum of 240 hours.

Sick leave – All employees on permanent status earn sick leave at the rate of one calendar day per month with a maximum accumulation of 960 hours (Sheriff’s Department and Road Department 1,140 hours). No allowance for unused sick leave is paid upon termination or resignation. The County has a sick leave bank whereby employees can transfer excess sick leave to a bank to be used by employees who are on extended sick leave and have exhausted their own sick leave accumulation. The sick leave bank is administered by the County Commissioners.

E. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Section 125 cafeteria plan/health insurance – The County offers a Section 125 cafeteria plan for all employees electing to participate. It can be used for health insurance premiums, unreimbursed medical and dependent care expenses. The plan is administered by an independent insurance company.

Section 457 deferred compensation plan – The County offers a Section 457 deferred compensation plan to all employees on a voluntary basis. The County does not contribute to the plan.

F. 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, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution 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 for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018.

Contributions to the pension plan from the County were \$148,356 for the year ended December 31, 2018.

Net Pension Liability

At December 31, 2018, the County's proportionate share of the collective net pension liability reported by KPERS was \$1,161,389. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. 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 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.

G. OPERATING LEASES

The County had the following operating leases as of December 31, 2018. These leases represent future commitments of annual lease expenses. At the end of the lease term, the County expects to return the equipment to the lessor.

In October 2013, the County entered into a seven-year operating lease agreement for a wheel loader. The annual cost of the lease is \$18,878.

In June 2015, the County entered into a seven-year operating lease agreement for a motor grader. The annual cost of the lease is \$27,427.

The following is a yearly schedule of future minimum rental payments for the operating leases:

2019	\$ 46,304
2020	27,427
2021	27,427
2022	<u>27,427</u>
	<u>\$ 128,585</u>

H. LANDFILL CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations require the County to place a final cover on landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste.

The estimated closure cost is \$516,601 and the estimated post-closure cost is \$805,137. Of these costs, the closure and post-closure care liability is \$411,886 at December 31, 2018, based on the estimated acres used, and the current open portion. The County will recognize the remaining estimated liability for closure and post-closure care of \$909,852 as the remaining estimated capacity is filled.

These amounts are based on what it would cost to perform all closure and post-closure care in 2018. Actual cost may differ due to inflation, changes in technology, or changes in regulations. The County will cover these costs through future charges to landfill users and future ad valorem tax receipts. The County expects the landfill to operate for approximately 165 years.

The County is meeting the financial assurance requirements through the Local Government Financial Test. This test involves four components; financial, public notice, record keeping and reporting, and calculation of costs to be assured. The County has satisfied all four requirements.

I. 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; natural disasters; and medical needs of employees. The County participates in public entity risk pools to cover property, liability and worker's compensation claims. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

J. PUBLIC ENTITY RISK POOLS

The County is a member of the Kansas Workers Risk Cooperative for Counties (KWORCC), a group funded pool for workers compensation coverage which was formed through the Kansas Municipal Group-Funded Pool Act, K.S.A. 12-2616, et seq. This is a public entity risk pool which operates as a common risk management and insurance program for member counties. The County pays an annual contribution to the Cooperative as determined by the Board of Trustees based upon experience modification factors, payroll audits and any other bases the Board considers appropriate. It is not possible to estimate the maximum contributions which could be required. KWORCC covers claims up to \$750,000 each and aggregate excess reinsurance provides aggregate coverage up to \$1,000,000. Except for required contributions, no member can be held responsible for any claims made against any other member.

The County is also a member of the Kansas County Association Multi-Line Pool (KCAMP), a group funded pool for property, liability, crime and surety coverage which was formed through the Kansas Municipal Group-Funded Pool Act, K.S.A. 12-2616, et seq. This is a public entity risk pool which operates as a common risk management and insurance program for member counties. The County pays an annual contribution to the Pool as determined by the Board of Trustees. It is not possible to estimate the maximum contributions which could be required. KCAMP covers property loss up to the scheduled amount of values on file which is \$36,554,840, \$500,000 for liability and \$1,000,000 for crime. Excess reinsurance provides aggregate coverage up to \$3,000,000 for liability. Except for required contributions, no member can be held responsible for any claims made against any other member.

K. CAPITAL LEASE WITH HAMILTON COUNTY HOSPITAL

In June 2014 the County and the Hamilton County Hospital entered into a lease with Valley State Bank for the purchase of a modular MR building for the Hospitals' MRI machine. The total purchase price was \$243,320, with 40 quarterly payments of \$6,083 at 4.05% interest. The Hospital will make all payments, which began on September 30, 2014 and end on June 30, 2024. If the Hospital does not make the payments, the County will be responsible. On June 5, 2019 the County paid the remaining balance of \$130,000 on the lease.

L. CONTINGENCIES

The County receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, would be insignificant.

M. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 10, 2019, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

HAMILTON COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

Funds	Certified budget	Adjustment for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General fund	\$ 5,367,244	\$ 58,070	\$ 5,425,314	\$ 5,425,314	\$ -
Special purpose funds:					
Alcohol revenue	4,309	-	4,309	2,600	1,709
Library	170,000	-	170,000	170,000	-
Library employee benefits	36,913	-	36,913	36,913	-
Enhancement 911	104,044	-	104,044	59,968	44,076
Fire district #1	48,000	-	48,000	45,787	2,213
Bond and interest funds:					
No-fund warrant - 2016	624,400	-	624,400	624,400	-
Total	\$ 6,354,910	\$ 58,070	\$ 6,412,980	\$ 6,364,982	\$ 47,998

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes	\$ 4,074,888	\$ 4,746,198	\$ 4,688,955	\$ 57,243
Shared revenue	304,991	309,144	227,036	82,108
Licenses, permits and fees	61,253	55,464	55,000	464
Charges for services:				
Health	24,267	24,211	21,000	3,211
Ambulance	51,075	72,308	45,000	27,308
Prisoner care	19,355	8,005	-	8,005
Landfill	41,741	62,437	32,000	30,437
Interest	54,720	77,556	35,000	42,556
Sunflower Square rent	-	-	80,000	(80,000)
Other	17,670	11,515	15,000	(3,485)
Operating transfers in	125,410	121,360	20,000	101,360
Total receipts	4,775,370	5,488,198	\$ 5,218,991	\$ 269,207
Expenditures:				
General government:				
County Commissioners:				
Personal services	65,783	67,946	\$ 67,717	\$ (229)
Commodities	-	-	50	50
Contractual services	3,402	3,172	3,640	468
Subtotal	69,185	71,118	71,407	289
County Clerk:				
Personal services	68,020	71,603	72,178	575
Commodities	1,305	1,511	800	(711)
Contractual services	2,315	1,552	2,100	548
Capital outlay	150	-	-	-
Reimbursed expenditures	(2)	(112)	-	112
Subtotal	71,788	74,554	75,078	524
County Treasurer:				
Personal services	92,507	72,393	70,000	(2,393)
Commodities	4,356	3,158	3,000	(158)
Contractual services	5,244	3,895	3,000	(895)
Capital outlay	393	-	-	-
Reimbursed expenditures	300	(542)	-	542
Subtotal	102,800	78,904	76,000	(2,904)

HAMILTON COUNTY, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
County Attorney:				
Personal services	\$ 93,012	\$ 96,074	\$ 95,790	\$ (284)
Commodities	746	672	750	78
Contractual services	14,897	14,595	16,000	1,405
Reimbursed expenditures	-	(114)	-	114
Subtotal	<u>108,655</u>	<u>111,227</u>	<u>112,540</u>	<u>1,313</u>
Register of Deeds:				
Personal services	73,067	75,313	75,227	(86)
Commodities	992	350	1,306	956
Contractual services	3,535	3,476	4,000	524
Subtotal	<u>77,594</u>	<u>79,139</u>	<u>80,533</u>	<u>1,394</u>
Court Services:				
Court indigent	18,343	16,530	30,000	13,470
Commodities	1,142	1,829	3,000	1,171
Contractual services	19,444	15,213	17,000	1,787
Capital outlay	2,391	2,776	-	(2,776)
Subtotal	<u>41,320</u>	<u>36,348</u>	<u>50,000</u>	<u>13,652</u>
Courthouse general:				
Personal services	28,916	30,623	29,355	(1,268)
Commodities	18,210	9,813	19,000	9,187
Contractual services	283,869	289,187	296,000	6,813
Capital outlay	499	-	355,645	355,645
Subtotal	<u>331,494</u>	<u>329,623</u>	<u>700,000</u>	<u>370,377</u>
Direct election expense:				
Personal services	1,548	2,014	1,571	(443)
Commodities	344	899	900	1
Contractual services	9,652	17,126	14,750	(2,376)
Capital outlay	-	510	-	(510)
Subtotal	<u>11,544</u>	<u>20,549</u>	<u>17,221</u>	<u>(3,328)</u>

HAMILTON COUNTY, KANSAS**GENERAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Appraiser cost:				
Personal services	\$ 53,203	\$ 56,478	\$ 57,000	\$ 522
Commodities	948	1,008	80,000	78,992
Contractual services	78,750	94,267	1,000	(93,267)
Reimbursed expenditures	(1,883)	(1,725)	-	1,725
Subtotal	<u>131,018</u>	<u>150,028</u>	<u>138,000</u>	<u>(12,028)</u>
Zoning:				
Commodities	-	-	500	500
Contractual services	104	119	500	381
Subtotal	<u>104</u>	<u>119</u>	<u>1,000</u>	<u>881</u>
Employee benefits:				
Social security	133,229	133,889	137,000	3,111
Unemployment	5,070	2,102	6,800	4,698
KPERs	129,404	138,277	167,000	28,723
Health insurance	693,451	803,186	685,000	(118,186)
Life insurance	3,362	3,722	3,500	(222)
Subtotal	<u>964,516</u>	<u>1,081,176</u>	<u>999,300</u>	<u>(81,876)</u>
Conservation District	<u>20,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Reimbursed expenditures	<u>(111,363)</u>	<u>(102,131)</u>	<u>-</u>	<u>102,131</u>
Total general government	<u>1,818,655</u>	<u>1,955,654</u>	<u>2,346,079</u>	<u>390,425</u>

HAMILTON COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Public safety:				
Sheriff:				
Personal services	\$ 400,698	\$ 439,695	\$ 470,135	\$ 30,440
Commodities	37,020	44,756	45,000	244
Contractual services	79,698	83,288	72,000	(11,288)
Capital outlay	4,840	20,866	22,000	1,134
Law enforcement contract	(154,125)	(154,583)	(159,135)	(4,552)
Reimbursed expenditures	(5,980)	(12)	-	12
Subtotal	<u>362,151</u>	<u>434,010</u>	<u>450,000</u>	<u>15,990</u>
Emergency management:				
Personal services	16,948	17,560	17,500	(60)
Commodities	826	736	500	(236)
Contractual services	445	1,605	500	(1,105)
Capital outlay	100	-	-	-
Reimbursed expenditures	-	(174)	-	174
Subtotal	<u>18,319</u>	<u>19,727</u>	<u>18,500</u>	<u>(1,227)</u>
Juvenile detention center	<u>7,370</u>	<u>7,165</u>	<u>7,200</u>	<u>35</u>
Inmate housing:				
Commodities	-	3,552	-	(3,552)
Contractual services	-	1,667	-	(1,667)
Capital outlay	-	1,115	-	(1,115)
Subtotal	<u>-</u>	<u>6,334</u>	<u>-</u>	<u>(6,334)</u>
Total public safety	<u>387,840</u>	<u>467,236</u>	<u>475,700</u>	<u>8,464</u>
Highways and streets:				
Road and bridge:				
Personal services	400,021	423,217	412,032	(11,185)
Commodities	265,679	264,793	260,000	(4,793)
Contractual services	169,394	128,561	100,000	(28,561)
Capital outlay	151,258	199,616	127,968	(71,648)
Reimbursed expenditures	(9,067)	(12,569)	-	12,569
Subtotal	<u>977,285</u>	<u>1,003,618</u>	<u>900,000</u>	<u>(103,618)</u>

HAMILTON COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Noxious weed:				
Personal services	\$ 9,704	\$ 10,066	\$ 8,600	\$ (1,466)
Commodities	24,391	38,579	6,000	(32,579)
Contractual services	5,860	5,067	30,000	24,933
Reimbursed expenditures	(25,724)	(52,408)	(25,000)	27,408
Subtotal	14,231	1,304	19,600	18,296
Wildlife control:				
Personal services	12,256	13,964	16,000	2,036
Commodities	6,687	19,167	20,000	833
Contractual services	1,459	1,828	8,000	6,172
Reimbursed expenditures	(10,083)	(15,304)	(25,000)	(9,696)
Subtotal	10,319	19,655	19,000	(655)
Total highways and streets	1,001,835	1,024,577	938,600	(85,977)
Sanitation:				
Landfill:				
Personal services	36,401	37,445	37,400	(45)
Commodities	14,360	29,419	13,000	(16,419)
Contractual services	42,715	17,228	35,000	17,772
Capital outlay	12,625	46,195	-	(46,195)
Waste tire management	(2,643)	(3,245)	-	3,245
Total sanitation	103,458	127,042	85,400	(41,642)
Health and welfare:				
Health department:				
Personal services	83,688	86,257	85,636	(621)
Commodities	5,594	5,124	7,400	2,276
Contractual services	8,187	7,098	13,034	5,936
Subtotal	97,469	98,479	106,070	7,591
Ambulance:				
Personal services	81,129	87,543	93,038	5,495
Commodities	10,696	14,821	9,900	(4,921)
Contractual services	20,059	20,966	17,062	(3,904)
Capital outlay	188	13,020	5,000	(8,020)
Subtotal	112,072	136,350	125,000	(11,350)

HAMILTON COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Mental health	\$ 18,000	\$ 18,000	\$ 18,000	\$ -
Mental disabilities	26,000	26,000	26,000	-
Total health and welfare	253,541	278,829	275,070	(3,759)
Economic development:				
Commodities	1,680	1,693	-	(1,693)
Contractual services	3,687	1,134	5,000	3,866
Reimbursed expenditures	(21)	-	-	-
Total economic development	5,346	2,827	5,000	2,173
Culture and recreation:				
Fair and activities:				
Transfer to related municipal entity	71,250	71,250	71,250	-
Personal services	39,024	39,901	-	(39,901)
Reimbursed expenditures	(38,338)	(39,087)	-	39,087
Subtotal	71,936	72,064	71,250	(814)
Historical society:				
Transfer to related municipal entity	32,885	33,000	33,000	-
Personal services	18,137	18,065	-	(18,065)
Reimbursed expenditures	(18,010)	(18,115)	-	18,115
Subtotal	33,012	32,950	33,000	50
Youth services:				
Transfer to related municipal entity	32,085	32,085	32,085	-
Personal services	12,300	15,262	-	(15,262)
Reimbursed expenditures	(12,300)	(13,422)	-	13,422
Subtotal	32,085	33,925	32,085	(1,840)
Golf course:				
Transfer to related municipal entity	26,500	45,000	114,000	69,000
Personal services	70,498	79,059	-	(79,059)
Capital outlay	13,527	19,161	-	(19,161)
Subtotal	110,525	143,220	114,000	(29,220)

HAMILTON COUNTY, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2018			Variance favorable (unfavorable)
	2017	Actual	Budget	
Pool board:				
Transfer to related municipal entity	\$ 40,000	\$ 39,900	\$ 39,900	\$ -
Personal services	33,317	40,316	-	(40,316)
Contractual services	-	3,500	-	(3,500)
Reimbursed expenditures	(33,317)	(18,601)	-	18,601
Subtotal	40,000	65,115	39,900	(25,215)
Total culture and recreation	287,558	347,274	290,235	(57,039)
Operating transfers:				
Capital improvement fund	160,931	314,715	20,000	(294,715)
No-fund warrant - 2016 fund	651,656	624,400	624,400	-
Total operating transfers	812,587	939,115	644,400	(294,715)
Related municipal entity transfers:				
Hospital	26,744	91,136	91,136	-
Hamilton County VIP	76,500	73,000	73,000	-
Extension Council	80,124	80,124	80,124	-
Airport	38,000	38,000	38,000	-
Total related municipal entity transfers	221,368	282,260	282,260	-
CASA appropriation	500	500	500	-
Sunflower Square:				
Contractual	-	-	24,000	24,000
Budget credit for grants	-	-	58,070	58,070
Total expenditures	4,892,688	5,425,314	\$ 5,425,314	\$ -
Receipts over (under) expenditures	(117,318)	62,884		
Unencumbered cash, beginning of year	384,624	267,306	\$ 148,253	\$ 119,053
Residual equity transfers in	-	132,761		
Unencumbered cash, end of year	\$ 267,306	\$ 462,951		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS**ALCOHOL REVENUE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State of Kansas	\$ 3,236	\$ 3,682	<u>\$ 3,399</u>	<u>\$ 283</u>
Expenditures:				
Health and welfare:				
County appropriations	<u>4,000</u>	<u>2,600</u>	<u>\$ 4,309</u>	<u>\$ 1,709</u>
Receipts over (under) expenditures	(764)	1,082		
Unencumbered cash, beginning of year	<u>2,801</u>	<u>2,037</u>	<u>\$ 910</u>	<u>\$ 1,127</u>
Unencumbered cash, end of year	<u>\$ 2,037</u>	<u>\$ 3,119</u>		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes	\$ 166,097	\$ 168,826	<u>\$ 167,192</u>	<u>\$ 1,634</u>
Expenditures:				
Transfer to related municipal entity	<u>161,510</u>	<u>170,000</u>	<u>\$ 170,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	4,587	(1,174)		
Unencumbered cash, beginning of year	<u>4,872</u>	<u>9,459</u>	<u>\$ 2,808</u>	<u>\$ 6,651</u>
Unencumbered cash, end of year	<u>\$ 9,459</u>	<u>\$ 8,285</u>		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

LIBRARY EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes	\$ 72,465	\$ 36,055	<u>\$ 35,941</u>	<u>\$ 114</u>
Expenditures:				
Transfer to related municipal entity	<u>70,757</u>	<u>36,913</u>	<u>\$ 36,913</u>	<u>\$ -</u>
Receipts over (under) expenditures	1,708	(858)		
Unencumbered cash, beginning of year	<u>1,887</u>	<u>3,595</u>	<u>\$ 972</u>	<u>\$ 2,623</u>
Unencumbered cash, end of year	<u>\$ 3,595</u>	<u>\$ 2,737</u>		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

ENHANCEMENT 911 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Licenses, permits and fees	\$ 50,218	\$ 50,469	<u>\$ 42,000</u>	<u>\$ 8,469</u>
Expenditures:				
Contractual services	<u>68,831</u>	<u>59,968</u>	<u>\$ 104,044</u>	<u>\$ 44,076</u>
Receipts over (under) expenditures	(18,613)	(9,499)		
Unencumbered cash, beginning of year	<u>95,045</u>	<u>76,432</u>	<u>\$ 62,044</u>	<u>\$ 14,388</u>
Unencumbered cash, end of year	<u>\$ 76,432</u>	<u>\$ 66,933</u>		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

FIRE DISTRICT #1 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes	\$ 48,885	\$ 44,980	\$ 42,958	\$ 2,022
Expenditures:				
Public safety:				
Personal services	11,747	12,418	\$ 15,000	\$ 2,582
Commodities	9,975	13,446	15,000	1,554
Contractual	12,833	13,444	14,000	556
Capital outlay	4,661	8,265	4,000	(4,265)
Reimbursed expenditures	(6,562)	(1,786)	-	1,786
Total expenditures	32,654	45,787	\$ 48,000	\$ 2,213
Receipts over (under) expenditures	16,231	(807)		
Unencumbered cash, beginning of year	5,555	21,786	\$ 5,042	\$ 16,744
Unencumbered cash, end of year	\$ 21,786	\$ 20,979		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2018

	<u>Capital improvement</u>	<u>Special machinery</u>	<u>Special road</u>	<u>Sheriff's funds</u>
Receipts:				
State and federal aid	\$ 29,000	\$ -	\$ -	\$ -
Sales tax	-	-	-	-
Licenses, permits and fees	-	-	-	51,242
Interest	-	-	-	-
Charges for services	-	-	-	-
Loan collections	-	-	-	-
Miscellaneous	-	-	-	-
Donations	-	-	-	-
Transfers in	314,715	-	-	-
	<u>343,715</u>	<u>-</u>	<u>-</u>	<u>51,242</u>
Total receipts				
	<u>343,715</u>	<u>-</u>	<u>-</u>	<u>51,242</u>
Expenditures:				
Personal services	-	-	-	-
Commodities	-	-	-	25,899
Contractual services	-	-	-	2,276
Capital outlay	253,550	-	-	-
New loans	-	-	-	-
Transfers out	-	-	-	-
	<u>253,550</u>	<u>-</u>	<u>-</u>	<u>28,175</u>
Total expenditures				
	<u>253,550</u>	<u>-</u>	<u>-</u>	<u>28,175</u>
Receipts over (under) expenditures	90,165	-	-	23,067
Unencumbered cash, beginning of year	1,246,432	3,874	574	33,297
	<u>1,246,432</u>	<u>3,874</u>	<u>574</u>	<u>33,297</u>
Unencumbered cash, end of year	<u>\$ 1,336,597</u>	<u>\$ 3,874</u>	<u>\$ 574</u>	<u>\$ 56,364</u>

Special attorney trust drug money	County attorney forfeiture	Diversion fee	Special vehicle	County sales tax	EMT trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,150
-	-	-	-	180,240	-
-	-	19,750	25,089	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
683	-	-	-	-	-
-	-	2,000	-	-	2,795
-	-	-	-	-	-
<u>683</u>	<u>-</u>	<u>21,750</u>	<u>25,089</u>	<u>180,240</u>	<u>3,945</u>
-	-	-	-	-	-
-	-	-	1,606	-	6
-	-	11,669	-	45,823	1,534
-	-	-	2,123	3,581	-
-	-	-	-	-	-
-	-	-	21,360	100,000	-
<u>-</u>	<u>-</u>	<u>11,669</u>	<u>25,089</u>	<u>149,404</u>	<u>1,540</u>
683	-	10,081	-	30,836	2,405
794	436	21,587	-	354,964	7,350
<u>\$ 1,477</u>	<u>\$ 436</u>	<u>\$ 31,668</u>	<u>\$ -</u>	<u>\$ 385,800</u>	<u>\$ 9,755</u>

HAMILTON COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2018

	<u>Prosecuting attorney training</u>	<u>Clerk technology</u>	<u>Register of deeds technology</u>	<u>Treasurer technology</u>	<u>Health bio-terrorism</u>
Receipts:					
State and federal aid	\$ -	\$ -	\$ -	\$ -	\$ 8,444
Sales tax	-	-	-	-	-
Licenses, permits and fees	616	1,106	4,422	1,106	-
Interest	-	-	-	-	-
Charges for services	-	-	-	-	-
Loan collections	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Donations	-	-	-	-	-
Transfers in	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	616	1,106	4,422	1,106	8,444
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:					
Personal services	-	-	-	-	-
Commodities	-	548	174	1,519	367
Contractual services	968	50	1,443	-	9,226
Capital outlay	-	930	2,251	-	-
New loans	-	-	-	-	-
Transfers out	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	968	1,528	3,868	1,519	9,593
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Receipts over (under) expenditures	(352)	(422)	554	(413)	(1,149)
Unencumbered cash, beginning of year	784	1,138	12,208	3,674	21,249
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unencumbered cash, end of year	\$ 432	\$ 716	\$ 12,762	\$ 3,261	\$ 20,100
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

See Independent Auditor's Report.

Health maternal child	Solid waste management	Micro loan	Special law enforcement trust	Total
\$ 8,252	\$ -	\$ -	\$ -	\$ 46,846
-	-	-	-	180,240
-	-	-	-	103,331
-	224	-	-	224
-	113,617	-	-	113,617
-	-	10,416	-	10,416
-	7,768	-	-	8,451
-	-	-	-	4,795
-	-	-	-	314,715
<u>8,252</u>	<u>121,609</u>	<u>10,416</u>	<u>-</u>	<u>782,635</u>
1,094	-	-	-	1,094
662	-	-	-	30,781
4,027	108,852	-	-	185,868
-	-	-	-	262,435
-	-	633	-	633
-	-	-	-	121,360
<u>5,783</u>	<u>108,852</u>	<u>633</u>	<u>-</u>	<u>602,171</u>
2,469	12,757	9,783	-	180,464
4,349	(2,703)	122,288	1,288	1,833,583
<u>\$ 6,818</u>	<u>\$ 10,054</u>	<u>\$ 132,071</u>	<u>\$ 1,288</u>	<u>\$ 2,014,047</u>

HAMILTON COUNTY, KANSAS**BOND AND INTEREST FUND****SCHEUDLE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes	\$ 8,476	\$ 75,861	\$ -	\$ 75,861
Expenditures	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts over (under) expenditures	8,476	75,861		
Unencumbered cash, beginning of year	4,558	13,034	<u>\$ 10,144</u>	<u>\$ 2,890</u>
Residual equity transfer	<u>-</u>	<u>(88,895)</u>		
Unencumbered cash, end of year	<u>\$ 13,034</u>	<u>\$ -</u>	<u>\$ 10,144</u>	<u>\$ (10,144)</u>

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

NO-FUND WARRANTS - NON-TAXABLE

SCHEUDLE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes	<u>\$ 413,807</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Debt service:				
Principal	389,700	-	\$ -	\$ -
Interest	<u>10,717</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>400,417</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts over (under) expenditures	13,390	-		
Unencumbered cash, beginning of year	7,577	20,967	<u>\$ 3,351</u>	<u>\$ 17,616</u>
Residual equity transfer out	<u>-</u>	<u>(20,967)</u>		
Unencumbered cash, end of year	<u>\$ 20,967</u>	<u>\$ -</u>	<u>\$ 3,351</u>	<u>\$ (3,351)</u>

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS**NO-FUND WARRANTS - TAXABLE****SCHEUDLE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes	<u>\$ 432,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Debt service:				
Principal	402,700	-	\$ -	\$ -
Interest	<u>16,108</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>418,808</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts over (under) expenditures	13,992	-		
Unencumbered cash, beginning of year	8,907	22,899	<u>\$ 4,490</u>	<u>\$ 18,409</u>
Residual equity transfer out	<u>-</u>	<u>(22,899)</u>		
Unencumbered cash, end of year	<u>\$ 22,899</u>	<u>\$ -</u>	<u>\$ 4,490</u>	<u>\$ (4,490)</u>

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS**NO-FUND WARRANTS - 2016****SCHEUDLE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2018

	<u>2017</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Taxes	\$ 651,656	\$ 624,400	<u>\$ 624,400</u>	<u>\$ -</u>
Expenditures:				
Debt service:				
Principal	557,500	557,500	\$ 557,500	\$ -
Interest	<u>94,156</u>	<u>66,900</u>	<u>66,900</u>	<u>-</u>
Total expenditures	<u>651,656</u>	<u>624,400</u>	<u>\$ 624,400</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS**NON-BUDGETED BUSINESS FUNDS****SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended December 31, 2018

	<u>Sunflower Square</u>	<u>VIP Center</u>
Receipts:		
Rent	\$ 105,555	\$ 700
Deposits - net	880	-
	<u>106,435</u>	<u>700</u>
Total receipts		
Expenditures:		
Commodities	5,362	-
Contractual services	125,618	-
Capital outlay	8,703	-
	<u>139,683</u>	<u>-</u>
Total expenditures		
Receipts over (under) expenditures	(33,248)	700
Unencumbered cash, beginning of year	<u>41,341</u>	<u>1,350</u>
Unencumbered cash, end of year	<u>\$ 8,093</u>	<u>\$ 2,050</u>

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended December 31, 2018

Funds	Beginning cash balance	Receipts	Disbursements	Ending cash balance
County clerk	\$ -	\$ 2,823	\$ 2,823	\$ -
Register of deeds	2,593	56,510	55,987	3,116
District court	24,880	354,937	356,802	23,015
Sheriff	18,208	157,551	137,495	38,264
County treasurer	5,166,718	8,751,266	8,413,119	5,504,865
Local taxing districts	1,439	3,228,504	3,228,828	1,115
Delinquent dumpsters	-	7,768	7,768	-
Motor vehicle fees	-	282,148	282,148	-
Hospital sales tax collections	15,321	180,240	180,389	15,172
Sales tax collections	8,825	151,415	152,768	7,472
Fish and game licenses	-	2,628	2,628	-
Park permits	-	540	540	-
Heritage trust	512	2,211	2,153	570
Delinquent personal court costs	1,076	3,634	3,798	912
Payroll clearing funds	45,246	462,080	461,596	45,730
Aflac 125 plan	12,218	38,464	37,274	13,408
Law library	7,488	3,126	1,875	8,739
Unclaimed property	-	4,787	-	4,787
Oil & gas depletion	189,917	-	-	189,917
	<u>\$ 5,494,441</u>	<u>\$ 13,690,632</u>	<u>\$ 13,327,991</u>	<u>\$ 5,857,082</u>
Total agency funds	<u>\$ 5,494,441</u>	<u>\$ 13,690,632</u>	<u>\$ 13,327,991</u>	<u>\$ 5,857,082</u>

See Independent Auditor's Report.