

HAMILTON COUNTY, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2017**

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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 balances of Hamilton County, Kansas as of and for the year ended December 31, 2017, 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 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 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, 2017, 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, 2017, 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 balances (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 schedule 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, 2016 (not presented herein), and have issued our report thereon dated July 8, 2017, which contained an unmodified opinion on the basic financial statement. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services/municipal-audits>. The 2016 actual column (2016 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2016, (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 2016 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 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 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 2016 basic financial statement or to the 2016 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 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

July 5, 2018

HAMILTON COUNTY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended December 31, 2017

Funds	Beginning unencumbered cash balance (deficit)	Prior year canceled encumbrances
General fund	\$ 384,624	\$ -
Special purpose funds:		
Alcohol revenue	2,801	-
Library	4,872	-
Library employee benefits	1,887	-
Enhancement 911	95,045	-
Fire district #1	5,555	-
Non-budgeted special purpose funds:		
Capital improvement	1,561,266	-
Special machinery	3,874	-
Special road	91,658	-
Sheriff's funds	8,336	-
Special attorney trust drug money	794	-
County attorney forfeiture	-	-
Diversion fee	23,045	-
Special vehicle	-	-
County sales tax	246,468	-
EMT trust	7,130	-
Prosecuting attorney training	1,055	-
Clerk technology	2,499	-
Register of deeds technology	11,792	-
Treasurer technology	2,499	-
Health bio-terrorism	21,141	-
Heath maternal child	-	-
Solid waste management	(2,796)	-
Micro loan	120,704	-
Special law enforcement trust	1,758	-
2016 No-fund warrants	1,100,000	-
Total special purpose funds	3,311,383	-
Bond and interest funds:		
Bond and interest	4,558	-
No-fund warrants - non-taxable	7,577	-
No-fund warrants - taxable	8,907	-
No-fund warrants - 2016	-	-
Total bond and interest funds	21,042	-
Business funds:		
Sunflower Square	20,851	-
VIP Center	550	-
Total business funds	21,401	-
Total reporting entity - excluding agency funds	\$ 3,738,450	\$ -
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

Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance
<u>\$ 4,775,370</u>	<u>\$ 4,892,688</u>	<u>\$ 267,306</u>	<u>\$ 123,063</u>	<u>\$ 390,369</u>
3,236	4,000	2,037	-	2,037
166,097	161,510	9,459	-	9,459
72,465	70,757	3,595	-	3,595
50,218	68,831	76,432	-	76,432
48,885	32,654	21,786	-	21,786
185,931	500,765	1,246,432	-	1,246,432
-	-	3,874	-	3,874
-	91,084	574	-	574
36,217	11,256	33,297	-	33,297
-	-	794	-	794
1,460	1,024	436	-	436
11,100	12,558	21,587	-	21,587
26,271	26,271	-	-	-
195,016	86,520	354,964	7,431	362,395
220	-	7,350	-	7,350
542	813	784	-	784
1,613	2,974	1,138	-	1,138
6,450	6,034	12,208	-	12,208
1,613	438	3,674	-	3,674
12,272	12,164	21,249	1,160	22,409
5,013	664	4,349	-	4,349
103,869	103,776	(2,703)	8,835	6,132
1,886	302	122,288	-	122,288
102	572	1,288	-	1,288
-	1,100,000	-	-	-
<u>930,476</u>	<u>2,294,967</u>	<u>1,946,892</u>	<u>17,426</u>	<u>1,964,318</u>
8,476	-	13,034	-	13,034
413,807	400,417	20,967	-	20,967
432,800	418,808	22,899	-	22,899
651,656	651,656	-	-	-
<u>1,506,739</u>	<u>1,470,881</u>	<u>56,900</u>	<u>-</u>	<u>56,900</u>
109,252	88,762	41,341	1,381	42,722
800	-	1,350	-	1,350
<u>110,052</u>	<u>88,762</u>	<u>42,691</u>	<u>1,381</u>	<u>44,072</u>
<u>\$ 7,322,637</u>	<u>\$ 8,747,298</u>	<u>\$ 2,313,789</u>	<u>\$ 141,870</u>	<u>\$ 2,455,659</u>
				\$ 300
				65,386
				6,088,172
				<u>1,796,242</u>
				7,950,100
				<u>(5,494,441)</u>
				<u>\$ 2,455,659</u>

HAMILTON COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

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, 2017:

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, 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	2016 No-Fund Warrants
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. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration to the Director of Accounts and Reports, Kansas Department of Administration, and legal representatives of the County.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. At year end, the Solid waste management fund had an unencumbered cash deficit of \$2,703.

C. 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, 2017.

At December 31, 2017, the County's carrying amount of deposits was \$7,949,800 and the bank balance was \$7,992,475. Of the bank balance, \$2,581,285 was covered by federal depository insurance, and \$2,706,781 was collateralized with securities held by the pledging financial institutions agents in the County's name, and \$2,704,409 was unsecured under a designated peak period.

D. LONG-TERM DEBT

Changes in long-term liabilities for the County for the year ended December 31, 2017, 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>
General obligation bonds:					
General obligation, Series 2007					
Issued November 1, 2007					
In the amount of \$275,000					
At interest rate of 0%					
Maturing November 1, 2017	\$ 27,500	\$ -	\$ 27,500	\$ -	\$ -

D. 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>
No-fund warrants:					
First National Bank – Series A Issued June 26, 2013 In the amount of \$745,000 At interest rate of 2.75% Maturing September 1, 2017	\$ 194,850	\$ -	\$ 194,850	\$ -	\$ 5,358
Valley State Bank – Series A Issued June 26, 2013 In the amount of \$745,000 At interest rate of 2.75% Maturing September 1, 2017	194,850	-	194,850	-	5,358
First National Bank – Series B Issued June 26, 2013 In the amount of \$755,000 At interest rate of 4.0% Maturing September 1, 2017	201,350	-	201,350	-	8,054
Valley State Bank – Series B Issued June 26, 2013 In the amount of \$755,000 At interest rate of 4.0% Maturing September 1, 2017	201,350	-	201,350	-	8,054
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	1,115,000	-	278,750	836,250	47,078
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>1,115,000</u>	<u>-</u>	<u>278,750</u>	<u>836,250</u>	<u>47,078</u>
Total no-fund warrants	<u>3,022,400</u>	<u>-</u>	<u>1,349,900</u>	<u>1,672,500</u>	<u>94,156</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	-	23,345	5,040	18,305	-
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	8,852	-	1,327	7,525	373

D. 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):					
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	\$ -	\$ 240,197	\$ 33,570	\$ 206,627	\$ -
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	-	375,000	79,700	295,300	-
Bobcat Compact Track Loader					
Issued May 2, 2017					
In the amount of \$46,062					
At interest rate of 2.914%					
Maturing May 2, 2019	-	46,062	15,797	30,265	-
Toro mower and sprayer					
Issued April 22, 2014					
In the amount of \$20,325					
At interest rate of 3.98%					
Maturing April 22, 2018	8,453	-	4,145	4,308	332
Cat 140M road grader					
Issued March 8, 2016					
In the amount of \$72,943					
At interest rate of 4.01%					
Maturing February 29, 2020	72,943	-	17,167	55,776	2,933
Cat 140M road grader					
Issued March 8, 2016					
In the amount of \$51,703					
At interest rate of 4.01%					
Maturing February 29, 2020	51,703	-	12,171	39,532	2,079
Versa greens mower					
Issued March 16, 2016					
In the amount of \$14,556					
At interest rate of 4.00%					
Maturing March 16, 2020	<u>14,556</u>	<u>-</u>	<u>3,428</u>	<u>11,128</u>	<u>582</u>
Total capital leases	<u>156,507</u>	<u>684,604</u>	<u>172,345</u>	<u>668,766</u>	<u>6,299</u>
Other:					
KDOT revolving loan					
dated December 4, 2007					
In the amount of \$2,000,000					
At interest rate of 3.6%					
Maturing in August 1, 2017	<u>194,520</u>	<u>-</u>	<u>194,520</u>	<u>-</u>	<u>7,489</u>
Total long-term debt	<u>\$3,400,927</u>	<u>\$ 684,604</u>	<u>\$1,744,265</u>	<u>\$2,341,266</u>	<u>\$ 107,944</u>

D. LONG-TERM DEBT (CONTINUED)

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>
2018	\$ 557,500	\$ 66,900	\$ 624,400
2019	557,500	44,600	602,100
2020	<u>557,500</u>	<u>22,300</u>	<u>579,800</u>
Total	<u>\$ 1,672,500</u>	<u>\$ 133,800</u>	<u>\$ 1,806,300</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>
2018	\$ 156,148	\$ 22,495	\$ 178,643
2019	156,971	17,197	174,168
2020	146,481	11,889	158,370
2021	113,186	6,824	120,010
2022	32,069	3,201	35,270
2023-2024	<u>63,911</u>	<u>3,230</u>	<u>67,141</u>
Total	<u>\$ 668,766</u>	<u>\$ 64,836</u>	<u>\$ 733,602</u>

E. 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	\$ 160,931
General	2016 No-fund warrants	K.S.A. 19-4606	651,656
Oil & gas depletion	General	K.S.A. 19-271	100,000
Special vehicle	General	K.S.A. 8-145	<u>25,410</u>
Total operating transfers			<u>\$ 937,997</u>

<u>From</u>	<u>To</u>	<u>Regulatory authority</u>	<u>Amount</u>
Transfers to related municipal entities:			
General	Airport	K.S.A. 3-121	\$ 38,000
General	Hamilton County VIP	K.S.A. 12-1680	76,500
General	Extension council	K.S.A. 2-610	80,124
General	Hospital	K.S.A. 19-4606	26,744
General	Fair board	K.S.A. 2-129	71,250
General	Pool board	K.S.A. 19-2801	40,000
General	Syracuse youth activities	K.S.A. 19-3903	32,085
General	Tamarisk golf course	Commissioners	26,500
Library	Public library	K.S.A. 12-1220	161,510
Library employee benefits	Public library	K.S.A. 12-16,102	70,757
County sales tax	Hospital	Election	<u>100,000</u>
Total transfers to related municipal entities			<u>\$ 723,470</u>

F. 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.

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.

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.

G. DEFINED BENEFIT PENSION PLAN

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.

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 the County 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 with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017.

G. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions to the pension plan from the County were \$129,397 for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, the County's proportionate share of the collective net pension liability reported by KPERS was \$1,258,447. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. 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 publically available on the website at www.kpers.org or can be obtained as described above.

H. OPERATING LEASES

The County had the following operating leases as of December 31, 2017. 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 December of 2011, the County entered into a seven year operating lease agreement for a motor grader. The annual cost of the lease is \$12,616.

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:

2018	\$ 58,920
2019	46,304
2020	27,427
2021	27,427
2022	<u>27,427</u>
	<u>\$ 187,505</u>

I. 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 landfill closure and post-closure care liability is \$395,483 at December 31, 2017. This represents the cumulative amount reported to date based on estimated capacity of the area currently open. The County will recognize the remaining estimated liability for closure and post closure care of \$883,704 as the remaining estimated capacity is filled.

I. LANDFILL CLOSURE AND POST-CLOSURE COSTS (CONTINUED)

These amounts are based on what it would cost to perform all closure and post-closure care in 2017. 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 current cell to operate for approximately seven 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 three of the four requirements, but did not satisfy the financial requirement for the debt service ratio.

J. 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.

K. 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 \$36,242,181, \$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.

L. CAPITAL LEASE WITH HAMILTON COUNTY HOSPITAL

In June 2014 the County along with 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 begin on September 30, 2014 and end on June 30, 2024. If the Hospital does not make the payments, the County will be responsible.

M. 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.

N. SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 5, 2018, 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, 2017

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General fund	\$ 4,823,439	\$ 69,249	\$ 4,892,688	\$ 4,892,688	\$ -
Special purpose funds:					
Alcohol revenue	5,000	-	5,000	4,000	1,000
Library	161,510	-	161,510	161,510	-
Library employee benefits	70,757	-	70,757	70,757	-
Enhancement 911	167,000	-	167,000	68,831	98,169
Fire district #1	48,000	-	48,000	32,654	15,346
Bond and interest funds:					
Bond and interest	-	-	-	-	-
No-fund warrants:					
Non-taxable	400,417	-	400,417	400,417	-
Taxable	418,808	-	418,808	418,808	-
Hospital - 2016	651,656	-	651,656	651,656	-
Total	<u>\$ 6,746,587</u>	<u>\$ 69,249</u>	<u>\$ 6,815,836</u>	<u>\$ 6,701,321</u>	<u>\$ 114,515</u>

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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 4,423,584	\$ 4,074,888	\$ 3,958,644	\$ 116,244
Shared revenue	295,893	304,991	223,684	81,307
Licenses, permits and fees	57,047	61,253	40,000	21,253
Charges for services:				
Health	25,805	24,267	21,500	2,767
Ambulance	40,643	51,075	45,000	6,075
Prisoner care	-	19,355	-	19,355
Landfill	29,661	41,741	25,500	16,241
Interest	24,911	54,720	13,000	41,720
Sunflower Square rent	-	-	80,000	(80,000)
Other	52,876	17,670	15,000	2,670
Operating transfers in	22,475	125,410	190,000	(64,590)
Total receipts	4,972,895	4,775,370	\$ 4,612,328	\$ 163,042
Expenditures:				
General government:				
County Commissioners:				
Personal services	66,088	65,783	\$ 65,744	\$ (39)
Commodities	112	-	50	50
Contractual services	4,573	3,402	3,640	238
Subtotal	70,773	69,185	69,434	249
County Clerk:				
Personal services	69,121	68,020	70,076	2,056
Commodities	603	1,305	800	(505)
Contractual services	2,547	2,315	2,100	(215)
Capital outlay	115	150	-	(150)
Reimbursed expenditures	(75)	(2)	-	2
Subtotal	72,311	71,788	72,976	1,188
County Treasurer:				
Personal services	80,167	92,507	70,600	(21,907)
Commodities	4,868	4,356	3,000	(1,356)
Contractual services	4,805	5,544	3,000	(2,544)
Capital outlay	-	393	-	(393)
Reimbursed expenditures	(342)	-	-	-
Subtotal	89,498	102,800	76,600	(26,200)

HAMILTON COUNTY, KANSAS

GENERAL FUND

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

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
County Attorney:				
Personal services	\$ 93,446	\$ 93,012	\$ 93,000	\$ (12)
Commodities	1,124	746	750	4
Contractual services	19,703	14,897	15,139	242
Reimbursed expenditures	(76)	-	-	-
Subtotal	114,197	108,655	108,889	234
Register of Deeds:				
Personal services	73,400	73,067	71,429	(1,638)
Commodities	191	992	1,306	314
Contractual services	5,625	3,535	4,000	465
Subtotal	79,216	77,594	76,735	(859)
Court Services:				
Court indigent	18,980	18,343	31,000	12,657
Commodities	1,193	1,142	3,200	2,058
Contractual services	23,401	19,444	20,800	1,356
Capital outlay	2,434	2,391	1,000	(1,391)
Subtotal	46,008	41,320	56,000	14,680
Courthouse general:				
Personal services	28,948	28,916	28,500	(416)
Commodities	16,025	18,210	19,000	790
Contractual services	303,400	283,869	296,000	12,131
Capital outlay	731	499	6,500	6,001
Subtotal	349,104	331,494	350,000	18,506
Direct election expense:				
Personal services	1,627	1,548	1,825	277
Commodities	575	344	600	256
Contractual services	10,623	9,652	8,460	(1,192)
Capital outlay	145	-	-	-
Subtotal	12,970	11,544	10,885	(659)

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

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Appraiser cost:				
Personal services	\$ 53,299	\$ 53,203	\$ 53,534	\$ 331
Commodities	415	948	1,500	552
Contractual services	85,399	78,750	80,000	1,250
Capital outlay	117	-	-	-
Reimbursed expenditures	(1,711)	(1,883)	-	1,883
Subtotal	137,519	131,018	135,034	4,016
Zoning:				
Commodities	-	-	500	500
Contractual services	-	104	500	396
Reimbursed expenditures	(75)	-	-	-
Subtotal	(75)	104	1,000	896
Employee benefits:				
Social security	128,860	133,229	137,000	3,771
Unemployment	9,872	5,070	6,800	1,730
KPERS	143,439	129,404	167,000	37,596
Health insurance	617,157	693,451	680,000	(13,451)
Life insurance	3,366	3,362	3,500	138
Subtotal	902,694	964,516	994,300	29,784
Conservation District	25,000	20,000	20,000	-
Reimbursed expenditures	(78,121)	(111,363)	-	111,363
Total general government	1,821,094	1,818,655	1,971,853	153,198

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

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Public safety:				
Sheriff:				
Personal services	\$ 414,116	\$ 400,698	\$ 481,897	\$ 81,199
Commodities	35,508	37,020	43,296	6,276
Contractual services	102,452	79,698	72,000	(7,698)
Capital outlay	13,216	4,840	21,697	16,857
Law enforcement contract	(147,964)	(154,125)	(154,500)	(375)
Reimbursed expenditures	(2,716)	(5,980)	-	5,980
Subtotal	414,612	362,151	464,390	102,239
Emergency management:				
Personal services	17,027	16,948	16,938	(10)
Commodities	545	826	500	(326)
Contractual services	502	445	454	9
Capital outlay	-	100	-	(100)
Reimbursed expenditures	(1,000)	-	-	-
Subtotal	17,074	18,319	17,892	(427)
Juvenile detention center	7,370	7,370	4,000	(3,370)
Total public safety	439,056	387,840	486,282	98,442
Highways and streets:				
Road and bridge:				
Personal services	401,910	400,021	360,000	(40,021)
Commodities	264,906	265,679	260,000	(5,679)
Contractual services	126,404	169,394	90,000	(79,394)
Capital outlay	161,488	151,258	100,000	(51,258)
Reimbursed expenditures	(16,045)	(9,067)	-	9,067
Subtotal	938,663	977,285	810,000	(167,285)
Noxious weed:				
Personal services	8,391	9,704	20,000	10,296
Commodities	40,359	24,391	50,000	25,609
Contractual services	5,971	5,860	10,000	4,140
Reimbursed expenditures	(34,912)	(25,724)	(65,000)	(39,276)
Subtotal	19,809	14,231	15,000	769

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

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Wildlife control:				
Personal services	\$ 12,690	\$ 12,256	\$ 16,000	\$ 3,744
Commodities	23,416	6,687	20,000	13,313
Contractual services	1,244	1,459	8,000	6,541
Reimbursed expenditures	(12,642)	(10,083)	(29,000)	(18,917)
Subtotal	24,708	10,319	15,000	4,681
Total highways and streets	983,180	1,001,835	840,000	(161,835)
Sanitation:				
Landfill:				
Personal services	36,556	36,401	35,500	(901)
Commodities	34,497	14,360	10,000	(4,360)
Contractual services	57,543	42,715	4,000	(38,715)
Capital outlay	28,379	12,625	-	(12,625)
Waste tire management	(1,977)	(2,643)	-	2,643
Total sanitation	154,998	103,458	49,500	(53,958)
Health and welfare:				
Health department:				
Personal services	80,435	83,688	79,170	(4,518)
Commodities	5,760	5,594	4,840	(754)
Contractual services	9,043	8,187	1,050	(7,137)
Subtotal	95,238	97,469	85,060	(12,409)
Ambulance:				
Personal services	83,208	81,129	90,969	9,840
Commodities	11,324	10,696	9,900	(796)
Contractual services	22,139	20,059	17,131	(2,928)
Capital outlay	1,354	188	2,000	1,812
Subtotal	118,025	112,072	120,000	7,928
Mental health	18,000	18,000	18,000	-
Mental disabilities	26,000	26,000	26,000	-
Total health and welfare	257,263	253,541	249,060	(4,481)

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

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Economic development:				
Personal services	\$ 9,901	\$ -	\$ -	\$ -
Commodities	1,488	1,680	-	(1,680)
Contractual services	8,217	3,687	5,000	1,313
Reimbursed expenditures	(19,228)	(21)	-	21
Total economic development	378	5,346	5,000	(346)
Culture and recreation:				
Fair and activities:				
Transfer to related municipal entity	75,000	71,250	71,250	-
Personal services	40,456	39,024	-	(39,024)
Reimbursed expenditures	(39,795)	(38,338)	-	38,338
Subtotal	75,661	71,936	71,250	(686)
Historical society:				
Transfer to related municipal entity	34,732	32,885	32,885	-
Personal services	18,009	18,137	-	(18,137)
Reimbursed expenditures	(17,453)	(18,010)	-	18,010
Subtotal	35,288	33,012	32,885	(127)
Youth services:				
Transfer to related municipal entity	34,500	32,085	32,085	-
Personal services	12,537	12,300	-	(12,300)
Reimbursed expenditures	(8,989)	(12,300)	-	12,300
Subtotal	38,048	32,085	32,085	-
Golf course:				
Transfer to related municipal entity	24,000	26,500	111,000	84,500
Personal services	73,595	70,498	-	(70,498)
Capital outlay	15,658	13,527	-	(13,527)
Subtotal	113,253	110,525	111,000	475

HAMILTON COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Pool board:				
Transfer to related municipal entity	\$ 42,000	\$ 40,000	\$ 42,000	\$ 2,000
Personal services	32,109	33,317	-	(33,317)
Reimbursed expenditures	(32,109)	(33,317)	-	33,317
Subtotal	42,000	40,000	42,000	2,000
Total culture and recreation	304,250	287,558	289,220	1,662
Operating transfers:				
Capital improvement	211,393	160,931	20,000	(140,931)
No-fund warrant - 2016	-	651,656	651,656	-
Total operating transfers	211,393	812,587	671,656	(140,931)
Related municipal entity transfers:				
Hospital	767,250	26,744	26,744	-
Hamilton County VIP	72,802	76,500	76,500	-
Extension Council	80,124	80,124	80,124	-
Airport	40,000	38,000	38,000	-
Total related municipal entity transfers	960,176	221,368	221,368	-
Tax sale	-	-	15,000	15,000
CASA appropriation	500	500	500	-
Sunflower Square:				
Contractual	-	-	24,000	24,000
Budget credit for grants	-	-	69,249	69,249
Total expenditures	5,132,288	4,892,688	\$ 4,892,688	\$ -
Receipts over (under) expenditures	(159,393)	(117,318)		
Unencumbered cash, beginning of year	544,017	384,624	\$ 211,111	\$ 173,513
Unencumbered cash, end of year	\$ 384,624	\$ 267,306		

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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
State of Kansas	\$ 3,387	\$ 3,236	<u>\$ 3,109</u>	<u>\$ 127</u>
Expenditures:				
Health and welfare:				
County appropriations	<u>3,400</u>	<u>4,000</u>	<u>\$ 5,000</u>	<u>\$ 1,000</u>
Receipts over (under) expenditures	(13)	(764)		
Unencumbered cash, beginning of year	<u>2,814</u>	<u>2,801</u>	<u>\$ 2,249</u>	<u>\$ 552</u>
Unencumbered cash, end of year	<u>\$ 2,801</u>	<u>\$ 2,037</u>	<u>\$ 358</u>	<u>\$ 1,679</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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 169,848	\$ 166,097	<u>\$ 161,109</u>	<u>\$ 4,988</u>
Expenditures:				
Transfer to related municipal entity	<u>170,500</u>	<u>161,510</u>	<u>\$ 161,510</u>	<u>\$ -</u>
Receipts over (under) expenditures	(652)	4,587		
Unencumbered cash, beginning of year	<u>5,524</u>	<u>4,872</u>	<u>\$ 401</u>	<u>\$ 4,471</u>
Unencumbered cash, end of year	<u>\$ 4,872</u>	<u>\$ 9,459</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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 68,186	\$ 72,465	<u>\$ 70,585</u>	<u>\$ 1,880</u>
Expenditures:				
Transfer to related municipal entity	<u>68,398</u>	<u>70,757</u>	<u>\$ 70,757</u>	<u>\$ -</u>
Receipts over (under) expenditures	(212)	1,708		
Unencumbered cash, beginning of year	<u>2,099</u>	<u>1,887</u>	<u>\$ 172</u>	<u>\$ 1,715</u>
Unencumbered cash, end of year	<u>\$ 1,887</u>	<u>\$ 3,595</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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		<u>2017</u>		
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Receipts:				
Licenses, permits and fees	\$ 51,220	\$ 50,218	<u>\$ 42,000</u>	<u>\$ 8,218</u>
Expenditures:				
Contractual services	<u>64,882</u>	<u>68,831</u>	<u>\$ 167,000</u>	<u>\$ 98,169</u>
Receipts over (under) expenditures	(13,662)	(18,613)		
Unencumbered cash, beginning of year	<u>108,707</u>	<u>95,045</u>	<u>\$ 125,707</u>	<u>\$ (30,662)</u>
Unencumbered cash, end of year	<u>\$ 95,045</u>	<u>\$ 76,432</u>	<u>\$ 707</u>	<u>\$ 75,725</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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 41,967	\$ 48,885	\$ 48,000	\$ 885
Expenditures:				
Public safety:				
Personal services	15,845	11,747	\$ 15,000	\$ 3,253
Commodities	12,096	9,975	14,000	4,025
Contractual	13,609	12,833	15,000	2,167
Capital outlay	4,773	4,661	4,000	(661)
Reimbursed expenditures	(1,015)	(6,562)	-	6,562
Total expenditures	45,308	32,654	\$ 48,000	\$ 15,346
Receipts over (under) expenditures	(3,341)	16,231		
Unencumbered cash, beginning of year	8,896	5,555	\$ -	\$ 5,555
Unencumbered cash, end of year	\$ 5,555	\$ 21,786		

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, 2017

	<u>Capital improvement</u>	<u>Special machinery</u>	<u>Special road</u>	<u>Sheriff's funds</u>
Receipts:				
State and federal aid	\$ 25,000	\$ -	\$ -	\$ -
Sales tax	-	-	-	-
Licenses, permits and fees	-	-	-	36,217
Interest	-	-	-	-
Charges for services	-	-	-	-
Loan collections	-	-	-	-
Miscellaneous	-	-	-	-
Donations	-	-	-	-
Transfers in	160,931	-	-	-
	<u>185,931</u>	<u>-</u>	<u>-</u>	<u>36,217</u>
Total receipts				
	<u>185,931</u>	<u>-</u>	<u>-</u>	<u>36,217</u>
Expenditures:				
Commodities	-	-	-	11,061
Contractual services	-	-	91,000	195
Capital outlay	203,259	-	84	-
Health and welfare	-	-	-	-
Debt service	297,506	-	-	-
New loans	-	-	-	-
Hospital operations	-	-	-	-
Transfers out	-	-	-	-
	<u>500,765</u>	<u>-</u>	<u>91,084</u>	<u>11,256</u>
Total expenditures				
	<u>500,765</u>	<u>-</u>	<u>91,084</u>	<u>11,256</u>
Receipts over (under) expenditures	(314,834)	-	(91,084)	24,961
Unencumbered cash (deficit), beginning of year	1,561,266	3,874	91,658	8,336
	<u>1,561,266</u>	<u>3,874</u>	<u>91,658</u>	<u>8,336</u>
Unencumbered cash (deficit), end 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>

Special attorney trust drug money	County attorney forfeiture	Diversion fee	Special vehicle	County sales tax	EMT trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	195,016	-
-	-	10,600	26,271	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,460	-	-	-	-
-	-	500	-	-	220
-	-	-	-	-	-
-	1,460	11,100	26,271	195,016	220
-	14	-	771	2,080	-
-	195	10,558	90	77,057	-
-	815	2,000	-	7,383	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(100,000)	-
-	-	-	25,410	100,000	-
-	1,024	12,558	26,271	86,520	-
-	436	(1,458)	-	108,496	220
794	-	23,045	-	246,468	7,130
<u>\$ 794</u>	<u>\$ 436</u>	<u>\$ 21,587</u>	<u>\$ -</u>	<u>\$ 354,964</u>	<u>\$ 7,350</u>

HAMILTON COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES REGULATORY BASIS

For the Year Ended December 31, 2017

	<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	\$ -	\$ -	\$ -	\$ -	\$ 12,269
Sales tax	-	-	-	-	-
Licenses, permits and fees	542	1,613	6,450	1,613	-
Interest	-	-	-	-	-
Charges for services	-	-	-	-	-
Loan collections	-	-	-	-	-
Miscellaneous	-	-	-	-	3
Donations	-	-	-	-	-
Transfers in	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>542</u>	<u>1,613</u>	<u>6,450</u>	<u>1,613</u>	<u>12,272</u>
Expenditures:					
Commodities	-	243	-	243	150
Contractual services	813	195	6,034	195	12,014
Capital outlay	-	2,536	-	-	-
Health and welfare	-	-	-	-	-
Debt service	-	-	-	-	-
New loans	-	-	-	-	-
Hospital operations	-	-	-	-	-
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>813</u>	<u>2,974</u>	<u>6,034</u>	<u>438</u>	<u>12,164</u>
Receipts over (under) expenditures	(271)	(1,361)	416	1,175	108
Unencumbered cash (deficit), beginning of year	<u>1,055</u>	<u>2,499</u>	<u>11,792</u>	<u>2,499</u>	<u>21,141</u>
Unencumbered cash (deficit), end of year	<u>\$ 784</u>	<u>\$ 1,138</u>	<u>\$ 12,208</u>	<u>\$ 3,674</u>	<u>\$ 21,249</u>

See Independent Auditor's Report.

Health maternal child	Solid waste management	Micro loan	Special law enforcement trust	2016 No-fund warrants	Total
\$ 5,013	\$ -	\$ -	\$ -	\$ -	\$ 42,282
-	-	-	-	-	195,016
-	-	-	-	-	83,306
-	84	-	-	-	84
-	96,777	-	-	-	96,777
-	-	1,886	-	-	1,886
-	7,008	-	102	-	8,573
-	-	-	-	-	720
-	-	-	-	-	160,931
5,013	103,869	1,886	102	-	589,575
9	-	-	60	-	14,631
655	103,776	-	512	-	303,289
-	-	-	-	-	216,077
-	-	-	-	-	-
-	-	-	-	-	297,506
-	-	302	-	-	302
-	-	-	-	1,100,000	1,000,000
-	-	-	-	-	125,410
664	103,776	302	572	1,100,000	1,957,215
4,349	93	1,584	(470)	(1,100,000)	(1,367,640)
-	(2,796)	120,704	1,758	1,100,000	3,201,223
\$ 4,349	\$ (2,703)	\$ 122,288	\$ 1,288	\$ -	\$ 1,833,583

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

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 92,047	\$ 8,476	\$ 5,585	\$ 2,891
Expenditures:				
Debt service:				
Principal	110,000	-	\$ -	\$ -
Interest	3,520	-	-	-
Total expenditures	113,520	-	\$ -	\$ -
Receipts over (under) expenditures	(21,473)	8,476		
Unencumbered cash, beginning of year	26,031	4,558	\$ 960	\$ 3,598
Unencumbered cash, end of year	\$ 4,558	\$ 13,034	\$ 6,545	\$ 6,489

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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 408,307	\$ 413,807	\$ 400,417	\$ 13,390
Expenditures:				
Debt service:				
Principal	379,200	389,700	\$ 389,700	\$ -
Interest	21,145	10,717	10,717	-
Total expenditures	400,345	400,417	\$ 400,417	\$ -
Receipts over (under) expenditures	7,962	13,390		
Unencumbered cash (deficit), beginning of year	(385)	7,577	\$ -	\$ 7,577
Unencumbered cash, end of year	\$ 7,577	\$ 20,967		

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, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		2017		Variance
	2016	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes	\$ 428,217	\$ 432,800	\$ 418,808	\$ 13,992
Expenditures:				
Debt service:				
Principal	387,300	402,700	\$ 402,700	\$ -
Interest	31,600	16,108	16,108	-
Total expenditures	418,900	418,808	\$ 418,808	\$ -
Receipts over (under) expenditures	9,317	13,992		
Unencumbered cash (deficit), beginning of year	(410)	8,907	\$ -	\$ 8,907
Unencumbered cash, end of year	\$ 8,907	\$ 22,899		

See Independent Auditor's Report.

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

For the Year Ended December 31, 2017

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

	Sunflower Square	VIP Center
Receipts:		
Rent	\$ 105,652	\$ 800
Deposits	3,600	-
Total receipts	109,252	800
Expenditures:		
Commodities	9,876	-
Contractual services	67,650	-
Capital outlay	11,236	-
Total expenditures	88,762	-
Receipts over (under) expenditures	20,490	800
Unencumbered cash, beginning of year	20,851	550
Unencumbered cash, end of year	<u>\$ 41,341</u>	<u>\$ 1,350</u>

See Independent Auditor's Report.

HAMILTON COUNTY, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended December 31, 2017

Funds	Beginning cash balance	Receipts	Disbursements	Ending cash balance
County clerk	\$ -	\$ 3,192	\$ 3,192	\$ -
Register of deeds	6,220	62,681	66,308	2,593
District court	6,488	155,334	136,942	24,880
Sheriff	19,142	113,257	114,191	18,208
County treasurer	5,205,521	8,435,249	8,474,052	5,166,718
Local taxing districts	732	3,181,049	3,180,342	1,439
Delinquent dumpsters	-	7,008	7,008	-
Motor vehicle fees	-	285,971	285,971	-
Hospital sales tax collections	15,349	195,016	195,044	15,321
Sales tax collections	14,645	161,289	167,109	8,825
Fish and game licenses	-	3,095	3,095	-
Park permits	30	330	360	-
Heritage trust	561	3,225	3,274	512
Delinquent personal court costs	254	2,588	1,766	1,076
Payroll clearing funds	40,080	464,938	459,772	45,246
Aflac 125 plan	13,630	35,478	36,890	12,218
Law library	17,721	2,568	12,801	7,488
Oil & gas depletion	289,917	-	100,000	189,917
Total agency funds	<u>\$ 5,630,290</u>	<u>\$ 13,112,268</u>	<u>\$ 13,248,117</u>	<u>\$ 5,494,441</u>

See Independent Auditor's Report.