

**KINGMAN COUNTY, KANSAS**

Primary Government Financial Statement With Independent Auditors' Report

For the Year Ended December 31, 2012

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 For the Year Ended December 31, 2012

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Certified  
Public  
Accountants

## INDEPENDENT AUDITORS' REPORT

To the County Commission  
**Kingman County, Kansas**  
Kingman, Kansas

We have audited the accompanying primary government summary statement of regulatory basis receipts, expenditures, and unencumbered cash of **Kingman County, Kansas**, as of and for the year ended December 31, 2012 and the related notes to the financial statement.

### Management's Responsibility for the Financial Statements

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 1 to meet the financial reporting requirements of the State of Kansas. 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.

### Auditors' 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 from 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 Aggregate Discretely Presented Related Municipal Entities

The financial statement referred to above includes one related municipal entity, Kingman County Extension Council and does not include the financial data for the County's legally separate related municipal entities, Kingman County Council on Aging and Kingman County, Kansas Public Building Commission. Accounting principles generally accepted in the United States of America require



financial data for all related municipal entities to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its related municipal entities. The County has not issued such reporting entity financial statements. The effect on the financial statements of this departure from accounting principles generally accepted in the United States of America, although not reasonably determinable, is presumed to be material.

#### **Adverse Opinion on Aggregate Discretely Presented Related Municipal Entities**

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Aggregate Discretely Presented Related Municipal Entities" paragraph, the financial statement referred to above does not present fairly the financial position of the aggregate discretely presented related municipal entities of **Kingman County, Kansas**, as of December 31, 2012, or the changes in financial position thereof for the year then ended.

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

As described in Note 1, the financial statement is prepared by **Kingman County, Kansas** to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### **Adverse Opinion on Aggregate Remaining Fund Information**

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion on Aggregate Discretely Presented Related Municipal Entities" and "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraphs, the financial statement referred to above does not present fairly, in all material respects, the financial position of the aggregate remaining fund information of **Kingman County, Kansas** as of December 31, 2012, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Kingman County, Kansas** as of December 31, 2012, 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* as described in Note 1.

#### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the summary statement of receipts, expenditures and unencumbered cash (basic financial statement) as a whole. The summary of expenditures – actual and budget, individual fund schedules of receipts and expenditures, and summary of receipts and disbursements (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the

underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statement as a whole.

*Adams, Brown, Beran, + Ball, Chtd.*

**ADAMS, BROWN, BERAN & BALL, CHTD.**

Certified Public Accountants

July 24, 2013



**KINGMAN COUNTY, KANSAS**  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended December 31, 2012

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>							
<b>General Fund</b>	\$ 1,039,066	-	2,968,313	2,996,222	1,011,157	267,799	1,278,956
<b>Special Purpose Funds</b>							
Road and Bridge Fund	-	-	1,762,345	1,762,345	-	30,650	30,650
Special Bridge Fund	136,236	-	202,283	319,940	18,579	-	18,579
Public Health Fund	86,578	-	375,018	309,948	151,648	11,076	162,724
Activity Center Maintenance Fund	8,803	-	140,095	112,630	36,268	3,378	39,646
Extension Council Fund	-	-	143,220	143,220	-	-	-
County Appraiser Fund	56,074	-	175,958	167,575	64,457	4,583	69,040
Noxious Weed Fund	33,232	-	191,961	175,415	49,778	29,738	79,516
Noxious Weed Capital Outlay Fund	41,859	-	-	41,859	-	-	-
Election Fund	30,546	-	63,180	73,028	20,698	3,910	24,608
Council on Aging Fund	-	-	144,719	144,719	-	-	-
Ambulance Fund	5,490	-	159,553	110,764	54,279	-	54,279
Mental Health Fund	-	-	59,155	59,155	-	-	-
Mental Retardation Fund	-	-	60,643	60,643	-	-	-
Employee Benefits Fund	594,816	-	1,542,577	1,433,168	704,225	-	704,225
Special Parks and Recreation Fund	2,907	-	3,770	-	6,677	-	6,677
Special Alcohol and Drug Program Fund	1,920	-	6,963	3,100	5,783	-	5,783
Emergency Telephone Services (911) Fund	(49,807)	-	220,109	25,899	144,403	6,821	151,224
Special Machinery Fund	82,315	-	28,477	34,494	76,298	-	76,298
Special Highway Improvement Fund	297,482	-	85,432	127,039	255,875	-	255,875
Register of Deeds Technology Fund	37,709	-	19,929	15,086	42,552	-	42,552
SCKEDD Home Grant Fund	10,601	-	103,579	119,087	(4,907)	-	(4,907)
County Wide .075% Sales Tax Fund	561,917	-	794,757	879,839	476,835	-	476,835
Capital Improvement Reserve	-	-	50,000	-	50,000	-	50,000
Capital Equipment Reserve	-	-	163,359	40,363	122,996	-	122,996
<b>Bond and Interest Fund</b>							
Bond and Interest Fund	18,965	-	275,788	293,588	1,165	-	1,165
<b>Capital Project Funds</b>							
Activity Center Roof Replacement Fund	83,597	-	-	-	83,597	-	83,597
<b>Trust Funds</b>							
Special Motor Vehicle Fund	-	-	86,056	86,056	-	7,155	7,155
Oil and Gas Depletion Trust Fund	-	-	534,497	-	534,497	-	534,497
Prosecutor Training Assistance Fund	6,114	-	2,235	1,020	7,329	-	7,329
<b>Total Primary Government</b>	3,086,420	-	10,363,971	9,536,202	3,914,189	365,110	4,279,299
<b>Related Municipal Entity</b>							
Extension Council	32,289	-	194,082	204,380	21,991	-	21,991
<b>Total Reporting Entity (Excluding Distributable and Agency Funds)</b>	\$ 3,118,709	-	10,558,053	9,740,582	3,936,180	365,110	4,301,290

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

**KINGMAN COUNTY, KANSAS**  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended December 31, 2012

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<b>Composition of Cash</b>	
Checking Accounts	\$ 13,789,991
Savings Accounts	-
Cash on Hand	1,110
Certificates of Deposit	<u>1,130,000</u>
 Total Primary Government	 14,921,101
Kingman County Extension Council	21,991
Distributable Funds per Schedule 3-1	(10,488,409)
Agency Funds Per Schedule 3-2	<u>(153,393)</u>
 <b>Total Reporting Entity (Excluding Distributable and Agency Funds)</b>	 <b>\$ <u>4,301,290</u></b>

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



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Kingman County, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

**Use of Estimates**

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

**Financial Reporting Entity**

The County is a municipal corporation governed by an elected three-member commission. This financial statement presents the County (the municipality) and its related municipal entity, Kingman County Extension Council, shown below. The related municipal entity is included in the County's reporting entity because it was established to benefit the County and/or its constituents. This financial statement does not include the related municipal entities, Kingman County Council on Aging and Kingman County, Kansas Public Building Commission, shown below.

**Kingman County Extension Council**

The Kingman 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 executive board. The County annually budgets an appropriation to the Council that makes the Council financially dependent on the County. This has been included on the County's financial statement as a related municipal entity.

**Kingman County Council on Aging**

The Council provides services to the citizens of Kingman County. The Council is governed by a board of directors. The County annually budgets an appropriation to the Council that makes the Council financially dependent on the County. The Council is audited annually and those audited financial statements are available at its office.

**Kingman County, Kansas Public Building Commission (PBC)**

The PBC is organized under Kansas statutes for the purpose of acquiring a site for constructing, reconstructing, equipping and furnishing, or purchasing or otherwise acquiring, a building or buildings or other facilities of a revenue producing character. The Board's members are appointed by the County Commissioners. The County sustainably funds the PBC's operations by subleasing the hospital building from the PBC. Kingman County, Kansas Public Building Commission is audited annually through the Ninnescah Valley Health System audit and those audited financial statements are available at the hospital offices.

The County is the primary government as defined in GASB #61. The County commission is elected by the public. The commission has the authority to make decisions, levy taxes, influence operations and has the primary accountability in fiscal matters.



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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**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, 2012.

**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 Fund** – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

**Capital Project Fund** – used to account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

**Trust Fund** – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

**Basis of Accounting**

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

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.

**Departure From Accounting Principles Generally Accepted in the United States of America**

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget.



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the County are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, and temporary notes are not presented in the financial statements.

**Property Tax Calendar**

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

**Restricted Assets**

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the County for special purposes.

**Reimbursements**

The County records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparison, the expenditures (or expenses) are properly offset by the reimbursements.

**NOTE 2 – 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), bond and interest funds, and business 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. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in 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 10 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication,



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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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 revenues 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 County 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 capital project funds, trust funds, and the following special purpose funds: Special Machinery Fund, Special Highway Improvement Fund, Register of Deeds Technology Fund, SCKEDD Home Grant and County Wide .075% Sales Tax Fund.

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.

### **NOTE 3 – DEPOSITS AND INVESTMENTS**

**Kingman County, Kansas** follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds have a main or branch bank in the county in which the County is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. 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 does not use "peak periods". All deposits were legally secured at December 31, 2012.



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

At December 31, 2012, the County's carrying amount of deposits was \$14,921,101 and the bank balance was \$14,842,223. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,013,449 was covered by federal depository insurance and \$13,828,774 was collateralized with securities held by the pledging financial institutions' agents in the County's name.

At December 31, 2012, the Extension Council's carrying amount of deposits was \$21,911 and the bank balance was \$37,898. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, all was covered by federal depository coverage.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The County had no investments at December 31, 2012.

**NOTE 4 – INTERFUND TRANSFERS**

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Kingman County, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2012 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Improvements Reserve Fund	K.S.A. 19-120	\$ 50,000
General Fund	Capital Equipment Reserve	K.S.A. 19-119	106,500
Appraiser Fund	Capital Equipment Reserve	K.S.A. 19-119	5,000
Noxious Weed Fund	Capital Equipment Reserve	K.S.A. 19-119	10,000
Noxious Weed Capital Outlay	Capital Equipment Reserve	Closed Fund	41,859
Special Motor Vehicle Fund	General Fund	K.S.A. 8-145	26,580
Road and Bridge Fund	Special Machinery Fund	K.S.A. 68-141g	28,477
Road and Bridge Fund	Special Highway Improvement	K.S.A. 68-590	85,432

**NOTE 5 – LITIGATION**

**Kingman County, Kansas** is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the County.

**NOTE 6 – RISK MANAGEMENT**

**Kingman County, Kansas** carries commercial insurance for risks of loss, including general liability, property, inland marine, law enforcement legal liability, board liability, crime, workers compensation, automobile and public employees' surety bond insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three calendar years.

**NOTE 7 – GRANTS AND SHARED REVENUES**

**Kingman County, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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County has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the County, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

**NOTE 8 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Expenditures exceeded the adopted budget in the Election Fund by \$28, which is in violation of K.S.A. 79-2935.

The County did not send the bond payments to the state treasurer at least 20 days before the due date, which is in violation of K.S.A. 10-130.

Expenditures exceeded available monies in the Payroll Clearing Fund by \$2,979, which is in violation of K.S.A. 10-1113.

**NOTE 9 – DEFERRED COMPENSATION PLAN**

**Kingman County, Kansas** sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). All employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The County is not responsible to make any contributions.

**NOTE 10 – DEFINED BENEFIT PENSION PLAN**

Plan Description

**Kingman County, Kansas** participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, **Kingman County, Kansas** 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.



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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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.

**NOTE 12 – COMPENSATED ABSENCES**

**Vacation**

Vacation is granted for all regular full-time employees. A minimum of 10 days and a maximum of 20 days vacation are granted based on years of employment. At any given time, the maximum amount of vacation that may be accumulated shall be the number of hours that an employee has earned during the immediately preceding 12 months. An employee must use the vacation earned each year, may donate the time to the shared leave time account, or with prior approval of both the Payroll Clerk and the employee's department head, may carry over up to 5 days into the new year for a period of up to 30 calendar days. Upon termination, employees shall be paid for all accumulated vacation. The potential liability for vacation at December 31, 2012 was \$52,084. This is included in the financial statement.

**Sick Leave**

Sick leave is granted at the rate of eight hours each month for all regular full-time employees. Sick leave benefits will be allowed to accumulate up to a maximum of 960 hours. Any employee accruing sick leave in excess of 960 hours will receive pay in December of each year for one-half of any additional sick days. Accumulated sick leave shall not be paid upon termination of employment, with the exception of retirement, when the employee shall be paid up to 184 hours. The potential liability for sick leave at December 31, 2012 was \$275,164. After applying the 184 hour limit, the calculated liability is \$105,527. This is not reflected in the financial statement.

**NOTE 13 – LANDFILL CLOSURE AND POST-CLOSURE COSTS**

**Kingman County, Kansas** has a municipal solid waste landfill that was closed in 1993. State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The future post-closure care cost is undeterminable at this time.

The County maintains a small landfill for construction and demolition waste only. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County has a potential liability for a portion of this closure and post-closure care costs in each period based on the landfill capacities used as of each year end. At December 31, 2012 the estimated closure costs are \$17,130.

The above figures have been estimated and the potential for change due to inflation or deflation, technology, or applicable laws or regulations exists and may affect the above calculations.

**NOTE 14 – CONDUIT DEBT**

On October 26, 2009, **Kingman County, Kansas** passed Resolution 2009-82 to authorize the issuance of industrial revenue bonds not to exceed \$5.1 million to promote, stimulate and develop the general economic welfare and prosperity of the County. The bonds shall not be general obligations of, or constitute a pledge of faith and credit of, the County and the bonds shall not be payable in any manner from tax revenues. The aggregate outstanding balance of the bonds on December 31, 2012 is unavailable.

**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

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**NOTE 15 – LONG-TERM DEBT**

**Kingman County, Kansas** has the following types of long-term debt.

**General Obligation Bond**

On May 1, 2010, the County issued \$2,000,000 of general obligation bonds for the purpose of providing funds to pay the cost of certain primary and arterial highway improvements.

**Revolving Loan**

On December 13, 2004, the County entered into a loan agreement with the Kansas Department of Transportation for \$1,075,600 for the purpose of road improvements.

**Lease Obligations**

The County has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

Changes in long-term liabilities for the County for the year ended December 31, 2012, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>Revolving Loan</b>									
KDOT Revolving Loan	3.87%	12/13/04	\$ 1,075,600	8/1/2014	\$ 420,823	-	(121,174)	299,649	16,286
<b>General Obligation Bonds</b>									
Series 2010	Variable	05/03/10	2,000,000	10/1/2030	1,950,000	-	(75,000)	1,875,000	79,803
<b>Capital Leases Payable</b>									
2005 Cat 160H Motor Grader	4.00%	04/15/08	135,000	4/15/2013	38,571	-	(28,668)	9,903	1,236
2008 JD5425 Tractor	3.85%	09/08/08	35,794	1/10/2013	7,521	-	(7,253)	268	279
2006 Cat 160H Motor Grader - Refi	3.95%	12/07/09	97,940	5/7/2014	54,750	-	(22,118)	32,632	1,771
2006 Cat 143H Motor Grader	3.95%	11/23/09	148,016	11/11/2014	89,868	-	(29,773)	60,095	3,017
2011 Dodge 1500 Quad Cab (3)	5.50%	11/19/10	85,673	11/19/2012	28,530	-	(28,530)	-	1,569
2005 Mack Truck	3.05%	05/04/12	90,900	4/4/2016	-	90,900	(14,585)	76,315	1,487
2007 CAT 420 E Tractor-Loader-Backl	3.40%	04/23/12	62,170	4/26/2016	-	62,170	(9,784)	52,386	1,313
<b>Total Contractual Indebtedness</b>					<b>\$ 2,590,063</b>	<b>153,070</b>	<b>(336,885)</b>	<b>2,406,248</b>	<b>106,761</b>



**KINGMAN COUNTY, KANSAS**  
Notes to Financial Statement  
December 31, 2012

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	YEAR								Total
	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028-2030	
<b>Principal</b>									
Revolving Loan	\$ 125,863	173,786	-	-	-	-	-	-	299,649
GO Bond	75,000	80,000	80,000	80,000	85,000	470,000	580,000	425,000	1,875,000
Capital Leases Payable	100,899	77,572	39,633	13,495	-	-	-	-	231,599
<b>Total Principal</b>	<b>301,762</b>	<b>331,358</b>	<b>119,633</b>	<b>93,495</b>	<b>85,000</b>	<b>470,000</b>	<b>580,000</b>	<b>425,000</b>	<b>2,406,248</b>
<b>Interest</b>									
Revolving Loan	10,847	6,291	-	-	-	-	-	-	17,138
GO Bond	78,678	77,290	75,490	73,290	70,770	304,800	192,900	43,250	916,468
Capital Leases Payable	6,637	3,045	1,120	90	-	-	-	-	10,892
<b>Total Interest</b>	<b>96,162</b>	<b>86,626</b>	<b>76,610</b>	<b>73,380</b>	<b>70,770</b>	<b>304,800</b>	<b>192,900</b>	<b>43,250</b>	<b>944,498</b>
<b>Total Principal and Interest</b>	<b>\$ 397,924</b>	<b>417,984</b>	<b>196,243</b>	<b>166,875</b>	<b>155,770</b>	<b>774,800</b>	<b>772,900</b>	<b>468,250</b>	<b>3,350,746</b>

**KINGMAN COUNTY, KANSAS**

Regulatory-Required Supplementary Information

**KINGMAN COUNTY, KANSAS**  
 Summary of Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Type Funds</b>					
<b>General Fund</b>	\$ 3,063,815	-	3,063,815	2,996,222	(67,593)
<b>Special Purpose Funds</b>					
Road and Bridge Fund	1,746,217	-	1,746,217	1,762,345	16,128
Special Bridge Fund	321,543	-	321,543	319,940	(1,603)
Public Health Fund	358,350	-	358,350	309,948	(48,402)
Activity Center Maintenance Fund	129,999	-	129,999	112,630	(17,369)
Extension Council Fund	148,450	-	148,450	143,220	(5,230)
County Appraiser Fund	188,473	-	188,473	167,575	(20,898)
Noxious Weed Fund	168,200	27,701	195,901	175,415	(20,486)
Noxious Weed Capital Outlay Fund	41,859	-	41,859	41,859	-
Election Fund	73,000	-	73,000	73,028	28
Council on Aging Fund	149,861	-	149,861	144,719	(5,142)
Ambulance Fund	169,558	-	169,558	110,764	(58,794)
Mental Health Fund	61,306	-	61,306	59,155	(2,151)
Mental Retardation Fund	61,447	-	61,447	60,643	(804)
Employee Benefits Fund	1,736,408	-	1,736,408	1,433,168	(303,240)
Special Parks and Recreation Fund	5,502	-	5,502	-	(5,502)
Special Alcohol and Drug Program Fund	8,556	-	8,556	3,100	(5,456)
<b>Bond and Interest Fund</b>					
Bond and Interest Fund	314,273	-	314,273	293,588	(20,685)



**KINGMAN COUNTY, KANSAS**  
**General Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
<b>Taxes and Shared Revenues</b>				
Ad Valorem Tax	\$ 1,770,672	1,583,046	1,700,652	(117,606)
Delinquent Tax	51,021	34,220	-	34,220
Vehicle Tax	131,660	154,922	131,759	23,163
Mineral Production Tax	71,480	59,585	50,000	9,585
Local Alcohol Liquor Tax	1,431	3,770	-	3,770
<b>Total Taxes and Shared Revenues</b>	<b>2,026,264</b>	<b>1,835,543</b>	<b>1,882,411</b>	<b>(46,868)</b>
<b>Intergovernmental</b>				
Federal Aid and Grants	48,656	10,659	-	10,659
<b>Licenses and Fees</b>				
Mortgage Registration Fees	71,622	325,130	40,000	285,130
County Officers' Fees	100,792	64,789	40,000	24,789
<b>Total Licenses and Fees</b>	<b>172,414</b>	<b>389,919</b>	<b>80,000</b>	<b>309,919</b>
<b>Charges for Services</b>				
Attorney and Docket Fees	16,579	19,126	13,000	6,126
Solid Waste Disposal Fees	59,198	68,558	60,000	8,558
<b>Total Charges for Services</b>	<b>75,777</b>	<b>87,684</b>	<b>73,000</b>	<b>14,684</b>
<b>Use of Money and Property</b>				
Interest on Investments	14,166	11,164	15,000	(3,836)
Interest on Delinquent Taxes	38,083	42,203	20,000	22,203
<b>Total Use of Money and Property</b>	<b>52,249</b>	<b>53,367</b>	<b>35,000</b>	<b>18,367</b>
<b>Miscellaneous</b>				
Reimbursed Expenses	49,999	187,822	70,000	117,822
911 Dispatch Reimbursement	93,137	32,626	-	32,626
Wind Energy Grant	-	300,000	-	300,000
Zoning Fees	2,640	2,089	1,000	1,089
Transfers In	6,268	26,580	-	26,580
Miscellaneous	15,960	42,024	10,000	32,024
<b>Total Miscellaneous</b>	<b>168,004</b>	<b>591,141</b>	<b>81,000</b>	<b>510,141</b>
<b>Total Cash Receipts</b>	<b>\$ 2,543,364</b>	<b>2,968,313</b>	<b>2,151,411</b>	<b>816,902</b>

**KINGMAN COUNTY, KANSAS**  
**General Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures</b>				
County Commission	\$ 60,239	<b>58,754</b>	68,730	(9,976)
County Clerk	129,898	<b>136,317</b>	133,100	3,217
County Treasurer	127,704	<b>121,027</b>	112,340	8,687
County Attorney	125,226	<b>133,403</b>	130,725	2,678
Register of Deeds	98,040	<b>107,291</b>	106,000	1,291
Sheriff	805,576	<b>869,253</b>	856,000	13,253
Courthouse General	538,814	<b>632,066</b>	730,000	(97,934)
Unified Court	86,629	<b>95,984</b>	92,000	3,984
County Coroner	-	<b>8,428</b>	7,500	928
Conservation District	24,000	<b>24,000</b>	24,000	-
Fair	17,500	<b>16,500</b>	16,500	-
Payments to Agencies	43,051	<b>17,712</b>	12,500	5,212
Human Resources	41,583	<b>44,607</b>	47,230	(2,623)
Zoning	8,813	<b>10,300</b>	9,000	1,300
Emergency Management	84,533	<b>53,065</b>	53,130	(65)
Economic Development	56,737	<b>48,700</b>	48,700	-
Environmental Services	18,000	<b>12,198</b>	-	12,198
Solid Waste	56,175	<b>57,729</b>	60,000	(2,271)
County Counselor	47,752	<b>68,949</b>	50,000	18,949
Juvenile Court Supervisor	-	-	15,000	(15,000)
Student Loan Repayment Program	-	<b>13,748</b>	-	13,748
SPLEPG	-	<b>9,000</b>	18,000	(9,000)
BP Wind Energy Grant Expenditures	-	<b>281,850</b>	-	281,850
Refunds	1,197	<b>10,366</b>	-	10,366
Transfers Out	12,500	<b>156,500</b>	123,500	33,000
Neighborhood Revitalization Rebate	9,749	<b>8,475</b>	49,860	(41,385)
(a) Adjustment for Qualifying Budget Credit	-	-	300,000	(300,000)
<b>Total Expenditures</b>	<u>2,393,716</u>	<u><b>2,996,222</b></u>	<u>3,063,815</u>	<u>(67,593)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	149,648	<b>(27,909)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>889,418</u>	<u><b>1,039,066</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u><u>1,039,066</u></u>	<u><u><b>1,011,157</b></u></u>		
<b>(a) Adjustment for Qualifying Budget Credit</b>				
Wind Energy Grant			\$ <u><u>300,000</u></u>	

**KINGMAN COUNTY, KANSAS**  
**General Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>County Commission</b>				
Personal Services	\$ 54,983	55,717	54,000	1,717
Contractual Services	3,042	2,934	14,100	(11,166)
Commodities	40	11	630	(619)
Capital Outlay	2,174	92	-	92
<b>Department Total</b>	<b>60,239</b>	<b>58,754</b>	<b>68,730</b>	<b>(9,976)</b>
<b>County Clerk</b>				
Personal Services	117,435	124,926	119,300	5,626
Contractual Services	9,826	7,441	8,500	(1,059)
Commodities	2,415	3,684	2,800	884
Capital Outlay	222	266	2,500	(2,234)
<b>Department Total</b>	<b>129,898</b>	<b>136,317</b>	<b>133,100</b>	<b>3,217</b>
<b>County Treasurer</b>				
Personal Services	98,357	99,205	80,340	18,865
Contractual Services	20,567	15,357	20,000	(4,643)
Commodities	8,780	6,465	8,500	(2,035)
Capital Outlay	-	-	3,500	(3,500)
<b>Department Total</b>	<b>127,704</b>	<b>121,027</b>	<b>112,340</b>	<b>8,687</b>
<b>County Attorney</b>				
Personal Services	108,120	118,199	110,725	7,474
Contractual Services	14,749	11,038	13,500	(2,462)
Commodities	1,851	4,166	4,500	(334)
Capital Outlay	506	-	2,000	(2,000)
<b>Department Total</b>	<b>125,226</b>	<b>133,403</b>	<b>130,725</b>	<b>2,678</b>
<b>Register of Deeds</b>				
Personal Services	90,550	93,779	89,000	4,779
Contractual Services	4,636	9,186	6,000	3,186
Commodities	1,377	3,561	8,000	(4,439)
Capital Outlay	1,477	765	3,000	(2,235)
<b>Department Total</b>	<b>98,040</b>	<b>107,291</b>	<b>106,000</b>	<b>1,291</b>
<b>Sheriff</b>				
Personal Services	587,826	602,156	651,000	(48,844)
Contractual Services	118,926	131,806	95,000	36,806
Commodities	62,752	63,982	70,000	(6,018)
Capital Outlay	36,072	71,309	40,000	31,309
<b>Department Total</b>	<b>\$ 805,576</b>	<b>869,253</b>	<b>856,000</b>	<b>13,253</b>



**KINGMAN COUNTY, KANSAS**  
**General Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Courthouse General</b>				
Personal Services	\$ 81,723	96,804	95,000	1,804
Contractual Services	395,885	476,422	420,000	56,422
Commodities	30,772	33,099	65,000	(31,901)
Capital Outlay	30,434	25,741	150,000	(124,259)
<b>Department Total</b>	<b>538,814</b>	<b>632,066</b>	<b>730,000</b>	<b>(97,934)</b>
<b>Unified Court</b>				
Contractual Services	68,877	75,068	77,300	(2,232)
Commodities	11,426	13,578	8,500	5,078
Capital Outlay	6,326	7,338	6,200	1,138
<b>Department Total</b>	<b>86,629</b>	<b>95,984</b>	<b>92,000</b>	<b>3,984</b>
<b>Other</b>				
County Coroner	-	8,428	7,500	928
Conservation District	24,000	24,000	24,000	-
Fair	17,500	16,500	16,500	-
Payments to Agencies	43,051	17,712	12,500	5,212
Human Resources	41,583	44,607	47,230	(2,623)
Zoning	8,813	10,300	9,000	1,300
Emergency Management	84,533	53,065	53,130	(65)
Economic Development	56,737	48,700	48,700	-
Environmental Services	18,000	12,198	-	12,198
Solid Waste	56,175	57,729	60,000	(2,271)
County Counselor	47,752	68,949	50,000	18,949
Juvenile Court Supervisor	-	-	15,000	(15,000)
Student Loan Repayment Program	-	13,748	-	13,748
SPLEPG	-	9,000	18,000	(9,000)
BP Wind Energy Grant Expenditures	-	281,850	-	281,850
Refunds	1,197	10,366	-	10,366
Transfers Out	12,500	156,500	123,500	33,000
Neighborhood Revitalization Rebate	9,749	8,475	49,860	(41,385)
(a) Adjustment for Qualifying Budget Credit	-	-	300,000	(300,000)
<b>Total Other</b>	<b>421,590</b>	<b>842,127</b>	<b>834,920</b>	<b>7,207</b>
<b>Total Expenditures</b>	<b>\$ 2,393,716</b>	<b>2,996,222</b>	<b>3,063,815</b>	<b>(67,593)</b>

**KINGMAN COUNTY, KANSAS**  
**Road and Bridge Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 1,052,097	1,113,837	1,169,108	(55,271)
Delinquent Tax	30,992	21,652	-	21,652
Vehicle Tax	86,648	92,054	76,821	15,233
Special Motor Fuels	436,421	437,194	500,288	(63,094)
State Grants	-	792	-	792
Miscellaneous	112,928	96,816	-	96,816
<b>Total Cash Receipts</b>	<u>1,719,086</u>	<u>1,762,345</u>	<u>1,746,217</u>	<u>16,128</u>
<b>Expenditures</b>				
Personal Services	488,369	530,822	614,526	(83,704)
Contractual Services	212,912	189,378	145,220	44,158
Commodities	711,275	782,526	831,000	(48,474)
Capital Outlay	103,824	114,887	126,400	(11,513)
Neighborhood Revitalization Rebate	24,914	30,823	29,071	1,752
Transfers Out	177,792	113,909	-	113,909
<b>Total Expenditures</b>	<u>1,719,086</u>	<u>1,762,345</u>	<u>1,746,217</u>	<u>16,128</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-		
<b>Unencumbered Cash - Beginning</b>	-	-		
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>		



**KINGMAN COUNTY, KANSAS**  
**Special Bridge Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 164,161	181,517	191,326	(9,809)
Delinquent Tax	6,202	4,791	-	4,791
Vehicle Tax	23,562	15,975	11,938	4,037
<b>Total Cash Receipts</b>	193,925	202,283	203,264	(981)
<b>Expenditures</b>				
Capital Outlay	302,070	314,897	317,025	(2,128)
Neighborhood Revitalization Rebate	3,872	5,043	4,518	525
<b>Total Expenditures</b>	305,942	319,940	321,543	(1,603)
<b>Cash Receipts Over (Under) Expenditures</b>	(112,017)	(117,657)		
<b>Unencumbered Cash - Beginning</b>	248,253	136,236		
<b>Unencumbered Cash - Ending</b>	\$ 136,236	18,579		

**KINGMAN COUNTY, KANSAS**  
**Public Health Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 193,503	189,927	203,568	(13,641)
Delinquent Tax	5,123	3,349	-	3,349
Vehicle Tax	11,101	16,437	14,420	2,017
Intergovernmental	78,123	83,459	61,250	22,209
Charges for Services	110,087	81,846	60,000	21,846
<b>Total Cash Receipts</b>	<u>397,937</u>	<u>375,018</u>	<u>339,238</u>	<u>35,780</u>
<b>Expenditures</b>				
Personal Services	213,765	223,067	217,194	5,873
Contractual Services	32,213	25,864	45,000	(19,136)
Commodities	58,951	58,089	67,200	(9,111)
Capital Outlay	199	1,913	8,500	(6,587)
Neighborhood Revitalization Rebate	1,067	1,015	5,456	(4,441)
Cash Reserve for Carryover	-	-	15,000	(15,000)
<b>Total Expenditures</b>	<u>306,195</u>	<u>309,948</u>	<u>358,350</u>	<u>(48,402)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	91,742	65,070		
<b>Unencumbered Cash - Beginning,</b>	<u>(5,164)</u>	<u>86,578</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 86,578</u>	<u>151,648</u>		



**KINGMAN COUNTY, KANSAS**  
**Activity Center Maintenance Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 53,494	80,226	86,039	(5,813)
Delinquent Tax	1,830	1,394	-	1,394
Vehicle Tax	6,436	5,065	3,960	1,105
Charges for Services	43,465	53,410	40,000	13,410
<b>Total Cash Receipts</b>	<u>105,225</u>	<u>140,095</u>	<u>129,999</u>	<u>10,096</u>
<b>Expenditures</b>				
Personal Services	39,089	41,674	42,400	(726)
Contractual Services	23,653	35,302	40,000	(4,698)
Commodities	16,845	18,002	21,100	(3,098)
Capital Outlay	27,383	17,223	25,000	(7,777)
Neighborhood Revitalization Rebate	293	429	1,499	(1,070)
<b>Total Expenditures</b>	<u>107,263</u>	<u>112,630</u>	<u>129,999</u>	<u>(17,369)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(2,038)	27,465		
<b>Unencumbered Cash - Beginning</b>	<u>10,841</u>	<u>8,803</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>8,803</u>	<u>36,268</u>		

**KINGMAN COUNTY, KANSAS**  
**Extension Council Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 122,516	<b>129,828</b>	139,333	(9,505)
Delinquent Tax	3,622	<b>2,519</b>	-	2,519
Vehicle Tax	9,871	<b>10,873</b>	9,117	1,756
Reimbursements	50	-	-	-
<b>Total Cash Receipts</b>	<u>136,059</u>	<u><b>143,220</b></u>	<u>148,450</u>	<u>(5,230)</u>
<b>Expenditures</b>				
Appropriations	138,264	<b>142,526</b>	145,000	(2,474)
Neighborhood Revitalization Rebate	675	<b>694</b>	3,450	(2,756)
<b>Total Expenditures</b>	<u>138,939</u>	<u><b>143,220</b></u>	<u>148,450</u>	<u>(5,230)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(2,880)	-		
<b>Unencumbered Cash - Beginning</b>	<u>2,880</u>	-		
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>		



**KINGMAN COUNTY, KANSAS**  
**County Appraiser Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 137,089	146,436	157,176	(10,740)
Delinquent Tax	4,099	2,907	-	2,907
Vehicle Tax	11,074	12,122	10,193	1,929
Miscellaneous	13,081	14,493	-	14,493
<b>Total Cash Receipts</b>	<u>165,343</u>	<u>175,958</u>	<u>167,369</u>	<u>8,589</u>
<b>Expenditures</b>				
Personal Services	76,204	81,501	87,116	(5,615)
Contractual Services	69,776	76,924	80,000	(3,076)
Commodities	5,761	3,367	5,000	(1,633)
Capital Outlay	-	-	7,500	(7,500)
Transfers Out	-	5,000	5,000	-
Neighborhood Revitalization Rebate	754	783	3,857	(3,074)
<b>Total Expenditures</b>	<u>152,495</u>	<u>167,575</u>	<u>188,473</u>	<u>(20,898)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	12,848	8,383		
<b>Unencumbered Cash - Beginning</b>	<u>43,226</u>	<u>56,074</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 56,074</u>	<u>64,457</u>		

**KINGMAN COUNTY, KANSAS**  
**Noxious Weed Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 63,440	105,510	112,669	(7,159)
Delinquent Tax	1,790	1,429	-	1,429
Vehicle Tax	3,972	5,237	4,692	545
Sales of Chemicals	52,470	67,701	40,000	27,701
Reimbursements	9,672	12,084	-	12,084
<b>Total Cash Receipts</b>	<b>131,344</b>	<b>191,961</b>	<b>157,361</b>	<b>34,600</b>
<b>Expenditures</b>				
Personal Services	57,805	63,141	64,300	(1,159)
Contractual Services	11,252	14,046	15,275	(1,229)
Commodities	75,426	87,378	76,850	10,528
Capital Outlay	8,683	288	-	288
Transfers Out	-	10,000	10,000	-
Neighborhood Revitalization Rebate	347	562	1,775	(1,213)
(a) Adjustment for Qualifying Budget Credit	-	-	27,701	(27,701)
<b>Total Expenditures</b>	<b>153,513</b>	<b>175,415</b>	<b>195,901</b>	<b>(20,486)</b>
<b>Cash Receipts Over (Under) Expenditures</b>	<b>(22,169)</b>	<b>16,546</b>		
<b>Unencumbered Cash - Beginning</b>	<b>55,401</b>	<b>33,232</b>		
<b>Unencumbered Cash - Ending</b>	<b>\$ 33,232</b>	<b>49,778</b>		
<b>(a) Adjustment for Qualifying Budget Credit</b>				
Sale of Chemicals			\$ 27,701	



**KINGMAN COUNTY, KANSAS**  
**Noxious Weed Capital Outlay Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts	\$ -	-	-	-
Expenditures	-	41,859	41,859	-
Cash Receipts Over (Under) Expenditures	-	(41,859)		
Unencumbered Cash - Beginning	41,859	41,859		
Unencumbered Cash - Ending	\$ 41,859	-		

**KINGMAN COUNTY, KANSAS**  
**Election Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 479	62,011	66,575	(4,564)
Delinquent Tax	486	711	-	711
Vehicle Tax	3,432	458	-	458
Reimbursed Expenses	2,136	-	-	-
<b>Total Cash Receipts</b>	<u>6,533</u>	<u>63,180</u>	<u>66,575</u>	<u>(3,395)</u>
<b>Expenditures</b>				
Personal Services	6,039	7,167	8,000	(833)
Contractual Services	18,545	22,641	30,000	(7,359)
Commodities	511	3,193	10,000	(6,807)
Capital Outlay	9,842	40,027	25,000	15,027
<b>Total Expenditures</b>	<u>34,937</u>	<u>73,028</u>	<u>73,000</u>	<u>28</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(28,404)	(9,848)		
<b>Unencumbered Cash - Beginning</b>	<u>58,950</u>	<u>30,546</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 30,546</u>	<u>20,698</u>		



**KINGMAN COUNTY, KANSAS**  
**Council on Aging Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 122,064	131,131	140,786	(9,655)
Delinquent Tax	3,718	2,620	-	2,620
Vehicle Tax	10,677	10,968	9,075	1,893
<b>Total Cash Receipts</b>	<u>136,459</u>	<u>144,719</u>	<u>149,861</u>	<u>(5,142)</u>
<b>Expenditures</b>				
Appropriations	146,030	144,017	146,427	(2,410)
Neighborhood Revitalization Rebate	672	702	3,434	(2,732)
<b>Total Expenditures</b>	<u>146,702</u>	<u>144,719</u>	<u>149,861</u>	<u>(5,142)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(10,243)	-		
<b>Unencumbered Cash - Beginning</b>	<u>10,243</u>	-		
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>		

**KINGMAN COUNTY, KANSAS**  
**Ambulance Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 161,793	142,630	153,163	(10,533)
Delinquent Tax	4,507	3,001	-	3,001
Vehicle Tax	10,599	13,922	12,045	1,877
<b>Total Cash Receipts</b>	176,899	159,553	165,208	(5,655)
<b>Expenditures</b>				
Appropriations	193,046	110,000	165,000	(55,000)
Neighborhood Revitalization Rebate	891	764	4,558	(3,794)
<b>Total Expenditures</b>	193,937	110,764	169,558	(58,794)
<b>Cash Receipts Over (Under) Expenditures</b>	(17,038)	48,789		
<b>Unencumbered Cash - Beginning</b>	22,528	5,490		
<b>Unencumbered Cash - Ending</b>	\$ 5,490	54,279		



**KINGMAN COUNTY, KANSAS**  
**Mental Health Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 46,382	53,902	57,855	(3,953)
Delinquent Tax	1,440	1,034	-	1,034
Vehicle Tax	4,281	4,219	3,451	768
<b>Total Cash Receipts</b>	<u>52,103</u>	<u>59,155</u>	<u>61,306</u>	<u>(2,151)</u>
<b>Expenditures</b>				
Appropriations	57,410	58,866	60,000	(1,134)
Neighborhood Revitalization Rebate	255	289	1,306	(1,017)
<b>Total Expenditures</b>	<u>57,665</u>	<u>59,155</u>	<u>61,306</u>	<u>(2,151)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(5,562)	-		
<b>Unencumbered Cash - Beginning</b>	<u>5,562</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>		

**KINGMAN COUNTY, KANSAS**  
**Mental Retardation Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 52,447	54,901	57,624	(2,723)
Delinquent Tax	1,575	1,115	-	1,115
Vehicle Tax	4,485	4,627	3,823	804
<b>Total Cash Receipts</b>	<u>58,507</u>	<u>60,643</u>	<u>61,447</u>	<u>(804)</u>
<b>Expenditures</b>				
Appropriations	59,753	59,123	60,000	(877)
Neighborhood Revitalization Rebate	1,242	1,520	1,447	73
<b>Total Expenditures</b>	<u>60,995</u>	<u>60,643</u>	<u>61,447</u>	<u>(804)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(2,488)	-		
<b>Unencumbered Cash - Beginning</b>	<u>2,488</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>		



**KINGMAN COUNTY, KANSAS**  
**Employee Benefits Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 1,140,242	1,309,580	1,375,330	(65,750)
Delinquent Tax	34,286	23,965	-	23,965
Vehicle Tax	104,840	102,711	82,995	19,716
Reimbursed Expenses	180,496	106,321	-	106,321
<b>Total Cash Receipts</b>	<u>1,459,864</u>	<u>1,542,577</u>	<u>1,458,325</u>	<u>84,252</u>
<b>Expenditures</b>				
Health Insurance	1,078,739	971,952	1,100,000	(128,048)
Other Insurance	60,922	56,538	90,000	(33,462)
Social Security	174,086	178,762	195,000	(16,238)
Retirement	169,387	187,749	230,000	(42,251)
Workmen's Compensation	6,141	-	80,000	(80,000)
Unemployment Tax	1,771	1,910	10,000	(8,090)
Neighborhood Revitalization Rebate	26,917	36,257	31,408	4,849
<b>Total Expenditures</b>	<u>1,517,963</u>	<u>1,433,168</u>	<u>1,736,408</u>	<u>(303,240)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(58,099)	109,409		
<b>Unencumbered Cash - Beginning</b>	<u>652,915</u>	<u>594,816</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 594,816</u>	<u>704,225</u>		

**KINGMAN COUNTY, KANSAS**  
**Special Parks and Recreation Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
State Alcohol Tax	\$ 1,431	3,770	2,578	1,192
<b>Expenditures</b>				
Appropriations	-	-	5,502	(5,502)
<b>Cash Receipts Over (Under) Expenditures</b>	1,431	3,770		
<b>Unencumbered Cash - Beginning</b>	1,476	2,907		
<b>Unencumbered Cash - Ending</b>	\$ 2,907	6,677		

**KINGMAN COUNTY, KANSAS**  
**Special Alcohol and Drug Program Fund**  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
State Alcohol Tax	\$ 3,665	6,963	5,157	1,806
<b>Expenditures</b>				
Contractual Services	2,800	3,100	8,556	(5,456)
<b>Cash Receipts Over (Under) Expenditures</b>	865	3,863		
<b>Unencumbered Cash - Beginning</b>	1,055	1,920		
<b>Unencumbered Cash - Ending</b>	\$ 1,920	5,783		



**KINGMAN COUNTY, KANSAS**  
**Emergency Telephone Services (911) Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Taxes and Shared Revenues		
911 Wireless Fees	\$ 17,165	45,334
911 Telephone Tax	27,510	6,823
State Aid and Grants	-	167,941
Interest on Checking	8	11
Miscellaneous Revenue	1,000	-
<b>Total Cash Receipts</b>	<u>45,683</u>	<u>220,109</u>
<b>Expenditures</b>		
Contractual Services	188,420	25,164
Capital Outlay	-	735
<b>Total Expenditures</b>	<u>188,420</u>	<u>25,899</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(142,737)	194,210
<b>Unencumbered Cash - Beginning</b>	<u>92,930</u>	<u>(49,807)</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ (49,807)</u>	<u>144,403</u>

**KINGMAN COUNTY, KANSAS**  
**Special Machinery Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Transfers In	\$ 44,448	28,477
<b>Expenditures</b>		
Capital Outlay	7,500	34,494
<b>Cash Receipts Over (Under) Expenditures</b>	36,948	(6,017)
<b>Unencumbered Cash - Beginning</b>	45,367	82,315
<b>Unencumbered Cash - Ending</b>	\$ 82,315	76,298

**KINGMAN COUNTY, KANSAS**  
**Special Highway Improvement Fund**  
**Schedule of Receipts and Expenditures**  
**Regulatory Basis**  
**For the Year Ended December 31, 2012**  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Transfers In	\$ 194,686	85,432
<b>Expenditures</b>		
Road Materials	156,173	96,449
Capital Outlay	24,063	30,590
<b>Total Expenditures</b>	<b>180,236</b>	<b>127,039</b>
<b>Cash Receipts Over (Under) Expenditures</b>	14,450	(41,607)
<b>Unencumbered Cash - Beginning</b>	283,032	297,482
<b>Unencumbered Cash - Ending</b>	<b>\$ 297,482</b>	<b>255,875</b>



**KINGMAN COUNTY, KANSAS**  
**Register of Deeds Technology Fund**  
**Schedule of Receipts and Expenditures**  
**Regulatory Basis**  
**For the Year Ended December 31, 2012**  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Technology Fees	\$ 26,233	19,926
Interest	3	3
<b>Total Cash Receipts</b>	<u>26,236</u>	<u>19,929</u>
<b>Expenditures</b>		
Personal Services	3,712	1,283
Contractual Services	19,573	13,803
<b>Total Expenditures</b>	<u>23,285</u>	<u>15,086</u>
<b>Cash Receipts Over (Under) Expenditures</b>	2,951	4,843
<b>Unencumbered Cash - Beginning</b>	<u>34,758</u>	<u>37,709</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 37,709</u>	<u>42,552</u>

**KINGMAN COUNTY, KANSAS**  
**SCKEDD Home Grant Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Grant Income	\$ 78,881	103,579
Transfers In	12,500	-
<b>Total Cash Receipts</b>	<u>91,381</u>	<u>103,579</u>
<b>Expenditures</b>		
Capital Outlays	1,899	6,846
County Match	78,881	112,241
<b>Total Expenditures</b>	<u>80,780</u>	<u>119,087</u>
<b>Cash Receipts Over (Under) Expenditures</b>	10,601	(15,508)
<b>Unencumbered Cash - Beginning</b>	<u>-</u>	<u>10,601</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 10,601</u>	<u>(4,907)</u>

**KINGMAN COUNTY, KANSAS**  
**County Wide .075% Sales Tax Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis

For the Year Ended December 31, 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Sales and Compensating Use Tax	\$ 561,917	794,757
<b>Expenditures</b>		
Capital Outlays	-	879,839
<b>Cash Receipts Over (Under) Expenditures</b>	561,917	(85,082)
<b>Unencumbered Cash - Beginning</b>	-	561,917
<b>Unencumbered Cash - Ending</b>	\$ 561,917	476,835



**KINGMAN COUNTY, KANSAS**  
**Capital Improvement Reserve**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis

For the Year Ended December 31, 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Transfers In	\$ -	50,000
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	50,000
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	50,000

**KINGMAN COUNTY, KANSAS**  
**Capital Equipment Reserve**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Transfers In	\$ -	163,359
<b>Expenditures</b>		
Capital Outlays	-	40,363
<b>Cash Receipts Over (Under) Expenditures</b>	-	122,996
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	122,996

**KINGMAN COUNTY, KANSAS**  
**Bond and Interest Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Tax	\$ 285,719	248,278	265,814	(17,536)
Delinquent Tax	6,900	4,298	-	4,298
Vehicle Tax	10,373	23,212	21,304	1,908
<b>Total Cash Receipts</b>	<u>302,992</u>	<u>275,788</u>	<u>287,118</u>	<u>(11,330)</u>
<b>Expenditures</b>				
Bond Principal	166,658	236,076	196,174	39,902
Bond Interest and Fees	134,742	56,187	95,037	(38,850)
Cash Basis Reserve	-	-	15,000	(15,000)
Neighborhood Revitalization Rebate	1,576	1,325	8,062	(6,737)
<b>Total Expenditures</b>	<u>302,976</u>	<u>293,588</u>	<u>314,273</u>	<u>(20,685)</u>
<b>Cash Receipts Over (Under) Expenditures</b>	16	(17,800)		
<b>Unencumbered Cash - Beginning</b>	<u>18,949</u>	<u>18,965</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>18,965</u>	<u>1,165</u>		



**KINGMAN COUNTY, KANSAS**  
**Activity Center Roof Replacement Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Transfers In	\$ -	-
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	<u>83,597</u>	<u>83,597</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 83,597</u>	<u>83,597</u>

**KINGMAN COUNTY, KANSAS**  
**Capital Project Road #2 Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Bond Proceeds	\$ -	-
<b>Expenditures</b>		
Transfers Out	61,342	-
<b>Cash Receipts Over (Under) Expenditures</b>	(61,342)	-
<b>Unencumbered Cash - Beginning</b>	61,342	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

**KINGMAN COUNTY, KANSAS**  
**Special Motor Vehicle Fund**  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Collections	\$ 85,067	85,114
Miscellaneous	705	657
Reimbursements	-	285
<b>Total Cash Receipts</b>	<u>85,772</u>	<u>86,056</u>
<b>Expenditures</b>		
Personal Services	56,353	48,728
Contractual Services	10,925	8,116
Commodities	8,036	2,418
Capital Outlay	4,190	214
Transfers Out	6,268	26,580
<b>Total Expenditures</b>	<u>85,772</u>	<u>86,056</u>
<b>Cash Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	<u>\$ -</u>	<u>-</u>



**KINGMAN COUNTY, KANSAS**  
**Oil and Gas Depletion Trust Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Oil and Gas Depletion Funds From State	\$ -	534,497
<b>Expenditures</b>	-	-
<b>Cash Receipts Over (Under) Expenditures</b>	-	534,497
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	534,497

**KINGMAN COUNTY, KANSAS**  
**Prosecutor Training Assistance Fund**  
**Schedule of Receipts and Expenditures**  
**Regulatory Basis**  
**For the Year Ended December 31, 2012**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)**

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
Collections	\$ 1,620	2,235
<b>Expenditures</b>		
Contractual Services	909	1,020
<b>Cash Receipts Over (Under) Expenditures</b>	711	1,215
<b>Unencumbered Cash - Beginning</b>	5,403	6,114
<b>Unencumbered Cash - Ending</b>	\$ 6,114	7,329

**KINGMAN COUNTY, KANSAS**  
**Extension Council**  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2012  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year Actual
<b>Cash Receipts</b>		
County Appropriations	\$ 138,214	142,526
KSU Salary Participation	34,993	38,688
Educational Services	6,800	12,482
Interest and Miscellaneous Income	3,081	386
<b>Total Cash Receipts</b>	<u>183,088</u>	<u>194,082</u>
<b>Expenditures</b>		
Audit, Printing, and Treasury Bond	5,122	5,986
Telephone	2,230	2,368
Postage and Supplies	3,903	4,194
Equipment	7,015	6,465
Miscellaneous	6,301	3,912
Transportation	2,857	3,381
Subsistence	784	1,135
Salaries	131,492	139,634
Social Security and Retirement	22,771	24,526
Educational Services	7,022	12,779
<b>Total Expenditures</b>	<u>189,497</u>	<u>204,380</u>
<b>Cash Receipts Over (Under) Expenditures</b>	(6,409)	(10,298)
<b>Unencumbered Cash - Beginning</b>	<u>38,698</u>	<u>32,289</u>
<b>Unencumbered Cash - Ending</b>	<u>\$ 32,289</u>	<u>21,991</u>



**KINGMAN COUNTY, KANSAS**  
**Distributable Funds, State Funds, and Subdivision Funds**  
 Summary of Receipts and Disbursements  
 Regulatory Basis  
 For the Year Ended December 31, 2012

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>Distributable Funds</b>				
Current Tax	\$ 9,696,515	15,205,574	14,813,892	10,088,197
Motor Vehicle 16/20M Tax	74,928	120,517	102,058	93,387
RV Tax	2,773	19,258	19,487	2,544
Advanced/Escrow Taxes	16,399	136,991	142,976	10,414
Clearing Fund	-	15,388	15,388	-
Delinquent Real Estate Tax	43,737	247,765	255,180	36,322
Delinquent Personal Property Tax	1,222	57,256	53,096	5,382
Delinquent 16/20M Tax	195	1,878	1,773	300
Other Taxes	-	698,040	698,040	-
Motor Vehicle Registration	180,711	1,177,401	1,136,354	221,758
Excise Tax	99	278	240	137
Neighborhood Revitalization Program	-	422,231	422,231	-
Tax Incremental Financing Program	-	81,589	81,589	-
<b>Total Distributable Funds</b>	<b>10,016,579</b>	<b>18,184,166</b>	<b>17,742,304</b>	<b>10,458,441</b>
<b>State Funds</b>				
State General Fund	-	5	5	-
State Drivers Licenses	-	66,638	66,638	-
State Educational Fund	-	118,546	118,546	-
State Institutions Building Tax	-	59,273	59,273	-
Motor Vehicle License Plate Refunds	-	6,993	6,993	-
Combined Motor Vehicle Sales Tax	19,952	344,656	348,800	15,808
Games Licenses	-	16,278	16,278	-
Antique Vehicle	2,304	14,190	14,430	2,064
<b>Total State Funds</b>	<b>22,256</b>	<b>626,579</b>	<b>630,963</b>	<b>17,872</b>
<b>Subdivision Funds</b>				
Cemetery Districts	-	37,044	37,044	-
Cities	-	1,462,388	1,462,388	-
Hospital Districts	-	82,461	82,461	-
School Districts	19,081	5,722,730	5,729,715	12,096
Townships	-	2,002,616	2,002,616	-
Regional Library	-	94,655	94,655	-
Fire Districts	-	15,157	15,157	-
<b>Total Subdivision Funds</b>	<b>19,081</b>	<b>9,417,051</b>	<b>9,424,036</b>	<b>12,096</b>
<b>Total</b>	<b>\$ 10,057,916</b>	<b>28,227,796</b>	<b>27,797,303</b>	<b>10,488,409</b>

**KINGMAN COUNTY, KANSAS**  
**Agency Funds**  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2012

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
<b>Agency Funds</b>				
Payroll Clearing	\$ -	382,257	385,236	(2,979)
Game Licenses	-	16,278	16,278	-
District Court	18,737	419,665	419,156	19,246
Law Library	6,975	10,044	9,462	7,557
Special Prosecutor Trust	8,471	-	-	8,471
Diversion	43,003	17,189	-	60,192
Sheriff Equipment	29,341	19,747	14,980	34,108
Stray Animal Fund	-	483	-	483
Civil Defense	10,577	-	-	10,577
Early Detection Works Grant	12	5,204	5,053	163
SK Coalition for Public Health	12,283	57,317	57,150	12,450
MLC-3	3,125	-	-	3,125
LEOP Development, Exercise, and Special Beer License Stamp	500	75	575	-
	-	-	-	-
<b>Total Agency Funds</b>	<b>\$ 133,024</b>	<b>928,259</b>	<b>907,890</b>	<b>153,393</b>



Certified  
Public  
Accountants

July 24, 2013

To the County Commission and Management  
**Kingman County, Kansas**  
Kingman, Kansas

### Management Letter

In planning and performing our audit of the primary government financial statement of **Kingman County, Kansas** as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the County's internal control to be significant deficiencies.

- The County does not have proper segregation of duties necessary to establish a good system of internal controls. We understand that the size of the County's accounting and administrative staff and related budget constraints preclude management from hiring additional personnel to achieve proper segregation of duties. However, limited segregation can and should be implemented to reduce the risk of errors or fraud. Where possible, duties should be segregated. Involvement by the Commissioners can also mitigate the risks of error or fraud. The Commissioners should remain involved in the financial affairs of the County to provide oversight and independent review functions.



- The County Treasurer maintains an escrow fund for posting partial payments on delinquent accounts. A true escrow account is for the collection of prepayments of current tax. The payments taxpayers make on delinquent accounts are held in the fund until the tax is paid in full. Until the tax is paid in full, the County is charging interest on the full balance. We do not agree with this process and believe the partial payments should be applied to their account to reduce the interest the taxpayer pays.
- One employee in the Clerk's office inputs vouchers into the system, prints checks, reconciles and mails the checks. These activities, if all completed by one person, can lead to an opportunity to commit fraud. Although the Clerk's office has minimal staff for segregation of duties, we recommend the reconciling and mailing of the checks be performed by another employee in the Clerk's office.
- Procedures regarding the cash collection process of antique tag fees, enabled fraud by an employee who was able to delete the antique tag statements. The auditors' recommendations for changes in the collection procedures were immediately implemented.

We would like to express our appreciation for the opportunity to perform the December 31, 2012 audit for **Kingman County, Kansas** and to the employees for the cooperation and assistance given to us during the audit.

This communication is intended solely for the information and use of management, the County Commission, others within the organization, State of Kansas, and is not intended to be and should not be used by anyone other than these specified parties.

*Adams, Brown, Beran, + Ball, Chtd.*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants