

CITY OF HOWARD, KANSAS

Financial Statements  
and  
Supplemental Information

with Independent Auditor's Report

For the Year Ended December 31, 2017

City of Howard, Kansas  
Special Financial Statements  
For the Fiscal Year Ended December 31, 2017

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## INDEPENDENT AUDITORS' REPORT

Mayor and City Council  
City of Howard, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Howard, 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 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.

### *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 1 of the financial statement, the financial statement is prepared by City of Howard, 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 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 City of Howard, Kansas, as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of City of Howard, 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 1.

*Report on 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-actual and budget, schedule of regulatory basis receipts and expenditures-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 1.

*Prior Year Comparative Analysis*

The 2016 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which we rendered an unmodified opinion dated February 22, 2018. The 2016 basic financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration. 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, on the basis of accounting described in Note 1.

*Restricted Use*

This report is intended solely for the information and use of the governing body and management of City of Howard, Kansas, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, the cognizant federal agency, and other federal audit agencies. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Respectfully Submitted,

*Rodney M. Burns, CPA, LLC*

February 22, 2018

City of Howard, Kansas  
Summary of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2017

		Beginning Unencumbered Cash Balance	Beginning Balance Adjustment	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds:</b>								
General	\$	252,868		293,643	293,119	253,392	3,778	257,170
<b>Special Purpose:</b>								
Emergency Equipment		109,599		8,334		117,933		117,933
Employee Benefits		6,707		45,872	25,510	27,069		27,069
Library Board		281		31,244	28,379	3,146	113	3,259
Library Board Capital Improvement		2,784				2,784		2,784
Special Highway		130,676		59,160	133,428	56,408		56,408
Special Liability		17,939		4,215	2,653	19,501		19,501
Elk County Infrastructure Grant		39,730				39,730		39,730
Special Park		5,823		3,189		9,012		9,012
<b>Capital Projects:</b>								
Water Construction Project	(2)	( 361,757)	10,021	3,032,512	2,680,776			
<b>Business:</b>								
Construction/Demolition Landfill		22,625		3,245	3,152	22,718		22,718
Gas Utility		44,724		267,055	255,150	56,629	11,533	68,162
Howard Twilight Manor Nursing Home		110,502		702	100,600	10,604		10,604
Sewer Utility		17,169		123,316	115,759	24,726	222	24,948
Water Utility		193,820		359,820	336,104	217,536	1,399	218,935
Water Utility Reserve		23,100		15,400		38,500		38,500
<b>Trusts:</b>								
Elliott Trust		54,500				54,500		54,500
Griffin Trust		8,245		103,878	322	111,801		111,801
Water Supply Evaluation Grant				19,925	19,925			
Fire Department Donations		1,031				1,031		1,031
Pool Donations		45,821		3,020	1,950	46,891		46,891
<b>Total Primary Government</b>	<b>(1)</b>	<u>726,187</u>	<u>10,021</u>	<u>4,374,530</u>	<u>3,996,827</u>	<u>1,113,911</u>	<u>17,045</u>	<u>1,130,956</u>
<b>Composition of Cash:</b>								
Cash on Hand								100
Certificates of Deposit								600,500
Demand Deposits								532,095
Less: Agency Funds							(	1,740)
Adjustment for Rounding								1
<b>Total Primary Government</b>	<b>(1)</b>							<u>1,130,956</u>

(1) Excluding Agency Funds

(2) Beg Bal Adjust - Prior Year Encumbrances Cancelled

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**Note 1**      **Summary of Significant Accounting Policies**

**A.**      **Reporting Entity**

The City of Howard, Kansas is a municipal corporation governed by an elected mayor and five-member council. These financial statements present the City of Howard, Kansas as a primary government only. The City has waived the application of generally accepted accounting principles and as such, have not included any component units in these financial statements.

**B.**      **Basis of Presentation**

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following Regulatory Basis Fund Types comprise the financial activities of the City for the year ending December 31, 2017:

General Fund -- the chief operating fund. Used to account for all unrestricted 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 revenue sources that are intended for specific purposes.

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

Business funds -- funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

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

Agency Funds -- funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**C. Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America*

The Kansas Municipal Accounting and Audit Guide 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 Kansas Municipal Accounting and Audit Guide 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 City has adopted an ordinance that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

**D. Budgets**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During 2017, the City amended the following funds, in the amounts indicated.

		Original <u>Budget</u>	Amended <u>Budget</u>
Special Highway Fund	\$	196,427	231,427
Howard Twilight Manor Nursing Home Fund		0	130,502

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



City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Library Capital Improvement Fund

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

**E. Assets, Liabilities, and Fund Equity**

*Cash*

To facilitate better management of the City's cash resources, excess cash is combined in pooled operating accounts. Each fund's portion of total cash is based on its equity in the pooled cash amount. Cash in excess of current operating needs is invested on a pooled investment basis and earnings thereon are credited to the General Fund or Business funds.

*Property Taxes and Other Receivables*

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.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

**F. Revenues and Expenditures**

*Property Tax Revenue Recognition*

Property taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at rates established by Kansas Statutes. This interest is retained by the county.

Taxes levied to finance the budget are made available to the City after January 1st and are distributed by the county treasurer approximately every month and a half. At least 50% of the taxes levied are available in January.

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

*Reimbursed Expenses*

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

*Interfund Transactions*

Quasi-external transactions are accounted for as revenue, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Note 2    Deposits and Investments**

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located 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.

K.S.A. 12-1675 allows the City to deposit idle funds in time deposits-open accounts, and certificates of deposit with allowable financial institutions; and to invest idle funds in U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool.

The City held no investments at December 31, 2017 and held no investments throughout the year.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City'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 City has not designated any peak periods.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City 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.

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

At December 31, 2017, the carrying amount of the City's deposits was \$1,132,595 and the bank balance was \$1,150,894. Of the bank balance, \$500,100 was covered by federal depository insurance and the remaining \$650,794 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

**Note 3 Long-term Debt**

*General Obligation Bonds*

Kansas cities are limited to aggregate debt not to exceed 30% of assessed valuation of tangible taxable property in the City. The City's assessed valuation at November 1, 2017 was \$2,097,160. At December 31, 2017, the City had \$2,505,000 in outstanding general obligation bonds. However, these bonds were issued in connection with the City's water improvement project (see later note) and are exempt from the aggregate debt limit under Kansas Statute. The resulting legal debt margin for the City is \$629,148.

On April 25, 2017, the City issued \$2,505,000 in General Obligation Bonds. The proceeds of these bonds were used to retire the outstanding temporary notes issued in 2016 for the City's water improvement project (see later note). These bonds will be retired in future years with revenues generated by the City's water utility fund.

The City also has a State of Kansas KWPCRF loan with an outstanding principal balance of \$281,363. The proceeds of this loan were used in a Sewer Construction Project and the loan is being retired from the revenues of the Sewer Utility Fund through the year 2023.

*Changes in Long-Term Debt*

Changes in long-term debt, for the year ended December 31, 2017, were as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
<b><u>State Revolving Loans:</u></b>									
KWPCRF Loan (Sewer)	3.58%	10/11/02	819,760	03/01/23	326,878		45,515	281,363	11,298
<b><u>General Obligation Bonds:</u></b>									
Water Project, Series 2017-A	2.75%	04/25/17	1,137,000	04/25/57	0	1,137,000		1,137,000	0
	2.75%	04/25/17	1,368,000	04/25/57	0	1,368,000		1,368,000	0
<b><u>Temporary Notes:</u></b>									
Water Project, Series 2015	3.50%	09/24/15	600,000	04/26/17	600,000		600,000	0	12,892
Water Project, Series 2016	3.50%	04/27/16	1,905,000	04/26/17	1,905,000		1,905,000	0	40,931
Total Contractual Indebtedness					2,831,878	2,505,000	2,550,515	2,786,363	65,121

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

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

<u>Fiscal Year</u>	<u>State Revolving Loans</u>		<u>General Obligation Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2018	\$ 47,159	9,655	35,180	68,888	160,882
2019	48,863	7,951	36,148	67,920	160,882
2020	50,627	6,186	36,958	67,109	160,880
2021	52,456	4,357	38,158	65,910	160,881
2022	54,351	2,463	39,208	64,860	160,882
2023-2027	27,907	499	212,630	307,709	548,745
2028-2032			243,384	276,955	520,339
2033-2037			278,931	241,408	520,339
2038-2042			319,468	200,871	520,339
2043-2047			365,897	154,442	520,339
2048-2052			419,031	101,308	520,339
2053-2057			480,007	40,331	520,338
Total	281,363	31,111	2,505,000	1,657,711	4,475,185

**Note 4 Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance to cover its risk of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Note 5 Interfund Transfers**

<u>From</u>	<u>To</u>	<u>Amount</u>
Gas Utility Fund	General Fund	\$ 50,000
Water Utility Fund	General Fund	85,000
Water Utility Fund	Water Construction Project Fund	51,162
Water Utility Fund	Water Utility Reserve Fund	15,400
Howard Twilight Manor Nursing Home Fund	Griffin Trust Fund (Loan repay)	100,600

**Note 6 Other Long-Term Obligations from Operations**

*Compensated Absences.*

The City's sick leave policy allows crediting each employee with a varying number of days of sick leave per year, based on length of employment, to a maximum of 60 days.

The City's vacation policy allows crediting each employee with ten days vacation beginning with the 2nd year of employment to a maximum of 20 days. After ten years service, the employees earn 15 days per year.

At termination, city employees with more than ten years of service receive payment equal to one week's salary, plus any unused vacation time, and 25% of their unused sick leave.

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

*Defined Benefit Pension Plan*

*Plan Description.* The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 75-4901, 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](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, 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. Contributions to the pension plan from City were \$34,017 for the year ended December 31, 2017.

*Net Pension Liability.* At December 31, 2017, the City's proportionate share of the collective net pension liability reported by KPERS was \$192,876. 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 City's proportion of the net pension liability was based on the ratio of the City'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 these financial statements.

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

City of Howard, Kansas  
Notes to Financial Statements  
For the Year Ended December 31, 2017

**Note 7   Stewardship, Compliance, and Accountability**

Compliance with Kansas Cash Basis Law

No violations.

Compliance with Kansas Depository Security Law

No violations.

Compliance with Kansas Budget Law

No violations.

**Note 8   Federally Assisted Programs – Compliance Audits**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

**Note 9   Water Improvement Project**

In 2015, the City began a project to upgrade its water distribution system. The total authorization for the project is \$7,897,000, with \$500,000 being provided by a Community Development Block Grant, \$2,505,000 coming from a Rural Development Loan, \$2,387,000 from a Rural Development Grant, and 2,505,000 in temporary note financing. The Rural Development Loan will be retired from revenues generated by the Water Utility in future years. As of December 31, 2017, the project is complete and the City has expended a total of \$6,207,453 to date.

City of Howard, Kansas  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2017

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Schedule 1

	Certified Budget	Expenditures Chargeable to Current Year	Variance Favorable (Unfavorable)
Governmental Type Funds:			
General	\$ 555,934	293,119	262,815
Special Purpose:			
Emergency Equipment	117,400		117,400
Employee Benefits	45,000	25,510	19,490
Library Board	30,350	28,379	1,971
Special Highway	231,427	133,428	97,999
Special Liability	20,000	2,653	17,347
Special Park	10,561		10,561
Business:			
Construction/Demolition Landfill	30,255	3,152	27,103
Gas Utility	515,541	255,150	260,391
Howard Twilight Manor Nursing Home	130,502	100,600	29,902
Sewer Utility	167,659	115,759	51,900
Water Utility	581,234	336,104	245,130
Totals	<u>2,435,863</u>	<u>1,293,854</u>	<u>1,142,009</u>

City of Howard, 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)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 64,485	37,030	37,632	( 602)
Motor Vehicle Tax	15,841	16,982	16,825	157
Recreational Vehicle Tax	203	255	212	43
Delinquent Tax	2,570	4,482	1,983	2,499
16/20 M Truck Tax	595	670	665	5
Watercraft Tax			73	( 73)
Commercial Vehicle Fees	1,464	1,661	1,484	177
In Lieu of Tax	2,001	670		670
Total Taxes	<u>87,159</u>	<u>61,750</u>	<u>58,874</u>	<u>2,876</u>
Intergovernmental				
Local Retailers Sales Tax	36,132	35,531	35,000	531
Local Alcoholic Liquor Tax		113		113
Total Intergovernmental	<u>36,132</u>	<u>35,644</u>	<u>35,000</u>	<u>644</u>
Licenses, Fees, and Permits				
Franchise Fee	25,239	25,873	25,000	873
Dog Licenses	925	640		640
Licenses and Permits	325	450	1,500	( 1,050)
Total Licenses, Fees, and Permits	<u>26,489</u>	<u>26,963</u>	<u>26,500</u>	<u>463</u>
Use of Money and Property				
Interest on Investments	3,183	4,857	1,850	3,007
Rent	11,775	12,125	10,000	2,125
Total Use of Money and Property	<u>14,958</u>	<u>16,982</u>	<u>11,850</u>	<u>5,132</u>
Charges for Services				
Pool Admissions	5,824	6,105	6,000	105
Pool Concessions	1,739	2,156	2,500	( 344)
Total Charges for Services	<u>7,563</u>	<u>8,261</u>	<u>8,500</u>	<u>( 239)</u>
Fines, Forfeitures and Penalties				
Fines	<u>1,346</u>	<u>265</u>	<u>1,000</u>	<u>( 735)</u>
Transfers				
Operating Transfers In	<u>55,000</u>	<u>135,000</u>	<u>125,000</u>	<u>10,000</u>
Miscellaneous				
Donations	2,767	3,702		3,702
Other	7,074	5,076		5,076
Total Miscellaneous	<u>9,841</u>	<u>8,778</u>		<u>8,778</u>
Total Cash Receipts	<u>238,488</u>	<u>293,643</u>	<u>266,724</u>	<u>26,919</u>
Expenditures and Transfers				
General Government				
General Government				
Personal Services	58,492	56,405	67,000	10,595
Contractual Services	32,215	25,657	27,500	1,843
Commodities	13,991	8,812	25,000	16,188
Capital Outlay	1,331		10,000	10,000
Total General Government	<u>106,029</u>	<u>90,874</u>	<u>129,500</u>	<u>38,626</u>
Public Works				
Street Department				
Personal Services	20,078	12,357	37,500	25,143
Contractual Services	11,186	7,578	17,500	9,922
Commodities	24,960	18,723	37,500	18,777
Capital Outlay	5,542	1,283	61,000	59,717
Total Street Department	<u>61,766</u>	<u>39,941</u>	<u>153,500</u>	<u>113,559</u>
Street Lighting				
Contractual Services	19,853	18,454	17,500	( 954)
Total Public Works	<u>81,619</u>	<u>58,395</u>	<u>171,000</u>	<u>112,605</u>



City of Howard, 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)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Public Safety				
Fire Department				
Personal Services	\$ 6,029	6,130	7,950	1,820
Contractual Services	2,873	2,937	4,450	1,513
Commodities	1,380	2,547	7,000	4,453
Capital Outlay			6,000	6,000
Total Fire Department	<u>10,282</u>	<u>11,614</u>	<u>25,400</u>	<u>13,786</u>
Police Department				
Personal Services	61,450	62,855	65,575	2,720
Contractual Services	7,019	5,468	7,500	2,032
Commodities	3,631	2,107	5,000	2,893
Capital Outlay			10,000	10,000
Total Police Department	<u>72,100</u>	<u>70,430</u>	<u>88,075</u>	<u>17,645</u>
Total Public Safety	<u>82,382</u>	<u>82,044</u>	<u>113,475</u>	<u>31,431</u>
Culture and Recreation				
Park Department				
Personal Services	2,597	2,231	4,375	2,144
Contractual Services	2,996	2,648	3,000	352
Commodities	1,388	2,285	1,500	( 785)
Capital Outlay	567		15,000	15,000
Total Park Department	<u>7,548</u>	<u>7,164</u>	<u>23,875</u>	<u>16,711</u>
Swimming Pool				
Personal Services	20,046	23,304	26,500	3,196
Contractual Services	6,779	6,996	6,000	( 996)
Commodities	7,543	12,940	8,000	( 4,940)
Capital Outlay			10,000	10,000
Total Swimming Pool	<u>34,368</u>	<u>43,240</u>	<u>50,500</u>	<u>7,260</u>
Cox Building				
Personal Services	907	1,723	2,650	927
Contractual Services	9,440	9,151	10,000	849
Commodities	478	528	4,000	3,472
Capital Outlay			4,000	4,000
Total Cox Building	<u>10,825</u>	<u>11,402</u>	<u>20,650</u>	<u>9,248</u>
Total Culture and Recreation	<u>52,741</u>	<u>61,806</u>	<u>95,025</u>	<u>33,219</u>
Social Services for Aged and Poor				
Contractual Services			934	934
Economic Development				
Contractual Services			1,000	1,000
Capital Expenditures				
Equipment				
Capital Outlay			45,000	45,000
Total Expenditures and Transfers	<u>322,771</u>	<u>293,119</u>	<u>555,934</u>	<u>262,815</u>
Receipts Over (Under)				
Expenditures and Transfers	( 84,283)	524		
Unencumbered Cash, Beginning	<u>337,151</u>	<u>252,868</u>		
Unencumbered Cash, Ending	<u>252,868</u>	<u>253,392</u>		

City of Howard, Kansas  
Emergency Equipment 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)

			Current Year	
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 5,898	5,989	6,084	( 95)
Motor Vehicle Tax	1,576	1,553	1,539	14
Recreational Vehicle Tax	20	23	19	4
Delinquent Tax	265	442	181	261
16/20 M Truck Tax	68	67	61	6
Watercraft Tax			7	( 7)
Commercial Vehicle Fees	146	152	136	16
In Lieu of Tax	191	108		108
Total Cash Receipts	<u>8,164</u>	<u>8,334</u>	<u>8,027</u>	<u>307</u>
Expenditures and Transfers				
Public Safety				
Fire Department				
Capital Outlay			117,400	117,400
Total Expenditures and Transfers			<u>117,400</u>	<u>117,400</u>
Receipts Over (Under)				
Expenditures and Transfers	8,164	8,334		
Unencumbered Cash, Beginning	<u>101,435</u>	<u>109,599</u>		
Unencumbered Cash, Ending	<u>109,599</u>	<u>117,933</u>		

City of Howard, Kansas  
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)

			Current Year	
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 18,817	38,185	38,801	( 616)
Motor Vehicle Tax	4,379	4,955	4,910	45
Recreational Vehicle Tax	56	75	62	13
Delinquent Tax	742	1,296	579	717
16/20 M Truck Tax	161	185	194	( 9)
Watercraft Tax			21	( 21)
Commercial Vehicle Fees	404	485	433	52
In Lieu of Tax	568	691		691
Total Cash Receipts	<u>25,127</u>	<u>45,872</u>	<u>45,000</u>	<u>872</u>
Expenditures and Transfers				
General Government				
Personal Services	<u>25,727</u>	<u>25,510</u>	<u>45,000</u>	<u>19,490</u>
Total Expenditures and Transfers	<u>25,727</u>	<u>25,510</u>	<u>45,000</u>	<u>19,490</u>
Receipts Over (Under)				
Expenditures and Transfers	( 600)	20,362		
Unencumbered Cash, Beginning	<u>7,307</u>	<u>6,707</u>		
Unencumbered Cash, Ending	<u>6,707</u>	<u>27,069</u>		

City of Howard, Kansas  
Library Board 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)

			Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)	
Cash Receipts					
Taxes					
Ad Valorem Tax	\$ 16,112	24,643	25,042	( 399)	
Motor Vehicle Tax	5,163	4,243	4,204	39	
Recreational Vehicle Tax	66	64	53	11	
Delinquent Tax	753	1,215	496	719	
16/20 M Truck Tax	208	218	166	52	
Watercraft Tax			18	( 18)	
Commercial Vehicle Fees	477	415	371	44	
In Lieu of Tax	<u>576</u>	<u>446</u>		<u>446</u>	
Total Cash Receipts	<u>23,355</u>	<u>31,244</u>	<u>30,350</u>	<u>894</u>	
Expenditures and Transfers					
Culture and Recreation					
Contractual Services	<u>26,292</u>	<u>28,379</u>	<u>30,350</u>	<u>1,971</u>	
Total Expenditures and Transfers	<u>26,292</u>	<u>28,379</u>	<u>30,350</u>	<u>1,971</u>	
Receipts Over (Under)					
Expenditures and Transfers	( 2,937)	2,865			
Unencumbered Cash, Beginning	<u>3,218</u>	<u>281</u>			
Unencumbered Cash, Ending	<u>281</u>	<u>3,146</u>			

City of Howard, Kansas  
Library Board Capital Improvement Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	\$	
Expenditures and Transfers		
Culture and Recreation		
Capital Outlay	1,500	
Total Expenditures and Transfers	1,500	
Receipts Over (Under)		
Expenditures and Transfers	( 1,500)	
Unencumbered Cash, Beginning	4,284	2,784
Unencumbered Cash, Ending	2,784	2,784

City of Howard, Kansas  
Special Highway 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)

			Current Year	
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Intergovernmental				
Special City & County Highway	\$ 16,749	16,366	16,660	( 294)
Local Retailers Sales Tax		42,794	35,000	7,794
Total Cash Receipts	<u>16,749</u>	<u>59,160</u>	<u>51,660</u>	<u>7,500</u>
Expenditures and Transfers				
Public Works				
Contractual Services	49,000			
Commodities		3,288	231,427	228,139
Capital Outlay		130,140		( 130,140)
Total Expenditures and Transfers	<u>49,000</u>	<u>133,428</u>	<u>231,427</u>	<u>97,999</u>
Receipts Over (Under)				
Expenditures and Transfers	( 32,251)	( 74,268)		
Unencumbered Cash, Beginning	<u>162,927</u>	<u>130,676</u>		
Unencumbered Cash, Ending	<u>130,676</u>	<u>56,408</u>		

City of Howard, Kansas  
Special Liability 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)

			Current Year	
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 1,532	3,563	3,618	( 55)
Motor Vehicle Tax	508	403	400	3
Recreational Vehicle Tax	6	6	5	1
Delinquent Tax	75	119	47	72
16/20 M Truck Tax	21	21	16	5
Watercraft Tax			2	( 2)
Commercial Vehicle Fees	47	39	35	4
In Lieu of Tax	56	64		64
Total Cash Receipts	<u>2,245</u>	<u>4,215</u>	<u>4,123</u>	<u>92</u>
Expenditures and Transfers				
General Government				
Contractual Services	<u>2,497</u>	<u>2,653</u>	<u>20,000</u>	<u>17,347</u>
Total Expenditures and Transfers	<u>2,497</u>	<u>2,653</u>	<u>20,000</u>	<u>17,347</u>
Receipts Over (Under)				
Expenditures and Transfers	( 252)	1,562		
Unencumbered Cash, Beginning	<u>18,191</u>	<u>17,939</u>		
Unencumbered Cash, Ending	<u>17,939</u>	<u>19,501</u>		

City of Howard, Kansas  
Elk County Infrastructure Grant Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
Appropriation from Elk County	\$ 39,730	
Total Cash Receipts	<u>39,730</u>	
Expenditures and Transfers		
None		
Receipts Over (Under)		
Expenditures and Transfers	39,730	
Unencumbered Cash, Beginning		<u>39,730</u>
Unencumbered Cash, Ending	<u>39,730</u>	<u>39,730</u>



City of Howard, Kansas  
Special Park Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory BasisFor the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Intergovernmental				
Local Alcoholic Liquor Tax	\$	113		113
Contracts with Other Governments	<u>3,262</u>	<u>3,076</u>	<u>4,000</u>	( <u>924</u> )
Total Cash Receipts	<u>3,262</u>	<u>3,189</u>	<u>4,000</u>	( <u>811</u> )
Expenditures and Transfers				
Culture and Recreation				
Contractual Services	<u></u>	<u></u>	<u>10,561</u>	<u>10,561</u>
Total Expenditures and Transfers	<u></u>	<u></u>	<u>10,561</u>	<u>10,561</u>
Receipts Over (Under)				
Expenditures and Transfers	3,262	3,189		
Unencumbered Cash, Beginning	<u>2,561</u>	<u>5,823</u>		
Unencumbered Cash, Ending	<u>5,823</u>	<u>9,012</u>		

City of Howard, Kansas  
Water Construction Project Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
Federal Financial Assistance	\$ 654,271	2,981,350
Transfers		
Operating Transfers In		51,162
Miscellaneous		
Temporary Note Proceeds	1,905,000	
Total Cash Receipts	<u>2,559,271</u>	<u>3,032,512</u>
Expenditures and Transfers		
Public Utilities		
Commercial and General		
Contractual Services	3,137,555	121,953
Commodities	9,094	
Capital Outlay	45,742	
Total Commercial and General	<u>3,192,391</u>	<u>121,953</u>
Temporary Notes		
Principal		2,505,000
Interest		53,823
Total Temporary Notes	<u>2,558,823</u>	
Total Expenditures and Transfers	<u>3,192,391</u>	<u>2,680,776</u>
Receipts Over (Under)		
Expenditures and Transfers	( 633,120)	351,736
Unencumbered Cash, Beginning	271,363	( 361,757)
Prior Year Encumbr. Cancelled		10,021
Unencumbered Cash, Ending	<u>( 361,757)</u>	<u></u>

City of Howard, Kansas  
Construction/Demolition Landfill 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)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Charges for Services				
Customer Charges	\$ 4,575	3,245	5,000	( 1,755)
Total Cash Receipts	<u>4,575</u>	<u>3,245</u>	<u>5,000</u>	<u>( 1,755)</u>
Expenditures and Transfers				
Landfill				
Personal Services	759	495		( 495)
Contractual Services	6,947	2,657	5,000	2,343
Commodities			500	500
Capital Outlay			24,755	24,755
Total Expenditures and Transfers	<u>7,706</u>	<u>3,152</u>	<u>30,255</u>	<u>27,103</u>
Receipts Over (Under)				
Expenditures and Transfers	( 3,131)	93		
Unencumbered Cash, Beginning	<u>25,756</u>	<u>22,625</u>		
Unencumbered Cash, Ending	<u>22,625</u>	<u>22,718</u>		

City of Howard, Kansas  
Gas Utility 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)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 941	1,986	600	1,386
Charges for Services				
Customer Charges	241,697	254,233	450,000	( 195,767)
Penalties	7,250	6,579	8,000	( 1,421)
Total Charges for Services	248,947	260,812	458,000	( 197,188)
Miscellaneous				
Other	2,324	4,257	5,000	( 743)
Total Cash Receipts	252,212	267,055	463,600	( 196,545)
Expenditures and Transfers				
Public Utilities				
Production				
Gas Purchases	84,815	114,036	235,000	120,964
Transmission and Distribution				
Personal Services	50,819	45,431	41,200	( 4,231)
Contractual Services	24,364	23,436	16,500	( 6,936)
Commodities	26,366	22,247	27,500	5,253
Capital Outlay	10,502		102,841	102,841
Total Transmission and Distribution	112,051	91,114	188,041	96,927
Commercial and General				
Personal Services			7,500	7,500
Operating Transfers Out	25,000	50,000	85,000	35,000
Total Commercial and General	25,000	50,000	92,500	42,500
Total Expenditures and Transfers	221,866	255,150	515,541	260,391
Receipts Over (Under)				
Expenditures and Transfers	30,346	11,905		
Unencumbered Cash, Beginning	14,378	44,724		
Unencumbered Cash, Ending	44,724	56,629		

City of Howard, Kansas  
Howard Twilight Manor Nursing Home 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)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 152			
Charges for Services				
Resident Charges	162,522	102	20,000	( 19,898)
Transfers				
Operating Transfers In	2,165			
Miscellaneous				
Other		600		600
Total Cash Receipts	164,839	702	20,000	( 19,298)
Expenditures and Transfers				
Social Services for Aged and Poor				
Nursing Home				
Personal Services	831			
Contractual Services	43,455			
Commodities	1,679			
Operating Transfers Out		100,600	130,502	29,902
Total Expenditures and Transfers	45,965	100,600	130,502	29,902
Receipts Over (Under)				
Expenditures and Transfers	118,874	( 99,898)		
Unencumbered Cash, Beginning	( 8,372)	110,502		
Unencumbered Cash, Ending	110,502	10,604		

City of Howard, Kansas  
Sewer Utility 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)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 160	838	400	438
Charges for Services				
Customer Charges	113,920	119,278	150,000	( 30,722)
Miscellaneous				
Other	2,165	3,200	2,500	700
Total Cash Receipts	116,245	123,316	152,900	( 29,584)
Expenditures and Transfers				
Public Utilities				
Production				
Personal Services	34,506	34,486	31,825	( 2,661)
Contractual Services	17,759	15,132	25,000	9,868
Commodities	6,690	5,728	10,000	4,272
Capital Outlay	6,306	3,600	24,020	20,420
Operating Transfers Out			20,000	20,000
Total Production	65,261	58,946	110,845	51,899
KWPCRF Loan				
Principal	44,828	46,304	43,928	( 2,376)
Interest	11,985	10,509	12,886	2,377
Total KWPCRF Loan	56,813	56,813	56,814	1
Total Expenditures and Transfers	122,074	115,759	167,659	51,900
Receipts Over (Under)				
Expenditures and Transfers	( 5,829)	7,557		
Unencumbered Cash, Beginning	22,998	17,169		
Unencumbered Cash, Ending	17,169	24,726		

City of Howard, Kansas  
Water Utility 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)

		Current Year		
	Prior Year Actual	Current Year Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 1,803	1,892	750	1,142
Charges for Services				
Customer Charges	331,289	337,542	380,000	( 42,458)
Bulk Water Sales			750	( 750)
Total Charges for Services	331,289	337,542	380,750	( 43,208)
Miscellaneous				
Other	9,574	20,386	7,500	12,886
Total Cash Receipts	342,666	359,820	389,000	( 29,180)
Expenditures and Transfers				
Public Utilities				
Production				
Personal Services	70,777	62,324	79,850	17,526
Contractual Services	79,122	54,740	65,000	10,260
Commodities	84,326	59,468	80,000	20,532
Capital Outlay	21,634	8,010	300,988	292,978
Total Production	255,859	184,542	525,838	341,296
Commercial and General				
Personal Services			20,000	20,000
Operating Transfers Out	44,117	151,562	35,396	( 116,166)
Total Commercial and General	44,117	151,562	55,396	( 96,166)
Total Expenditures and Transfers	299,976	336,104	581,234	245,130
Receipts Over (Under)				
Expenditures and Transfers	42,690	23,716		
Unencumbered Cash, Beginning	151,130	193,820		
Unencumbered Cash, Ending	193,820	217,536		

City of Howard, Kansas  
Water Utility Reserve Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers		
Operating Transfers In	\$ 14,117	15,400
Total Cash Receipts	<u>14,117</u>	<u>15,400</u>
Expenditures and Transfers		
None		
Receipts Over (Under)		
Expenditures and Transfers	14,117	15,400
Unencumbered Cash, Beginning	<u>8,983</u>	<u>23,100</u>
Unencumbered Cash, Ending	<u><u>23,100</u></u>	<u><u>38,500</u></u>



City of Howard, Kansas  
Elliott Trust Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	\$	
Expenditures and Transfers		
None		
Receipts Over (Under)		
Expenditures and Transfers		
Unencumbered Cash, Beginning	54,500	54,500
Unencumbered Cash, Ending	54,500	54,500

City of Howard, Kansas  
Griffin Trust Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Interest on Investments	\$ 61	747
Oil and Gas Royalties	<u>3,891</u>	<u>2,531</u>
Total Use of Money and Property	<u>3,952</u>	<u>3,278</u>
Transfers		
Operating Transfers In	<u>        </u>	100,600
Total Cash Receipts	<u>3,952</u>	<u>103,878</u>
Expenditures and Transfers		
General Government		
Contractual Services	<u>        </u>	<u>322</u>
Total Expenditures and Transfers	<u>        </u>	<u>322</u>
Receipts Over (Under)		
Expenditures and Transfers	3,952	103,556
Unencumbered Cash, Beginning	<u>4,293</u>	<u>8,245</u>
Unencumbered Cash, Ending	<u><u>8,245</u></u>	<u><u>111,801</u></u>

City of Howard, Kansas  
Water Supply Evaluation Grant Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
Federal Financial Assistance	\$	19,250
Contracts with Other Governments		<u>675</u>
Total Cash Receipts		<u>19,925</u>
Expenditures and Transfers		
Capital Expenditures		
Contractual Services		25,700
Reimbursed Expense		( <u>5,775</u> )
Total Expenditures and Transfers		<u>19,925</u>
Receipts Over (Under)		
Expenditures and Transfers		
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		

City of Howard, Kansas  
Fire Department Donations Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous		
Donations	\$ 25	
Total Cash Receipts	<u>25</u>	
Expenditures and Transfers		
None		
Receipts Over (Under)		
Expenditures and Transfers	25	
Unencumbered Cash, Beginning	<u>1,006</u>	<u>1,031</u>
Unencumbered Cash, Ending	<u><u>1,031</u></u>	<u><u>1,031</u></u>

City of Howard, Kansas  
Pool Donations Fund  
Summary of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2017  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous		
Donations	\$ 25,368	3,020
Total Cash Receipts	<u>25,368</u>	<u>3,020</u>
Expenditures and Transfers		
Culture and Recreation		
Swimming Pool		
Commodities		1,950
Total Expenditures and Transfers		<u>1,950</u>
Receipts Over (Under)		
Expenditures and Transfers	25,368	1,070
Unencumbered Cash, Beginning	<u>20,453</u>	<u>45,821</u>
Unencumbered Cash, Ending	<u><u>45,821</u></u>	<u><u>46,891</u></u>

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City of Howard, Kansas  
 Agency Funds  
 Summary of Receipts, Disbursements and Balances  
For the Year Ended December 31, 2017

<u>Fund</u>	Beginning <u>Cash Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending <u>Cash Balance</u>
Trash Collections	\$ -	70,154	70,154	-
Gas Meter Deposits	1,840	1,360	1,920	1,280
Water Meter Deposits	620	420	580	460
	<u>2,460</u>	<u>71,934</u>	<u>72,654</u>	<u>1,740</u>