

CITY OF MOUNDRIDGE, KANSAS

FINANCIAL STATEMENT

For the Year Ended December 31, 2017

City of Moundridge, Kansas

For the Year Ended December 31, 2017

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Knudsen Monroe & Company LLC

INDEPENDENT AUDITOR'S REPORT

City Council
City of Moundridge
Moundridge, Kansas 67107

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Moundridge, Kansas (City), as of and for the year ended December 31, 2017, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City'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 the City 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 the City as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2017 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 disbursements—agency funds and the schedule of receipts and expenditures—related municipal entity (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the 2017 basic financial statement, but 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 2017 basic financial statement. The 2017 information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated June 29, 2017, which contained an unmodified opinion on the basic financial statement. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2016 actual column (2016 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget and the schedule of receipts and expenditures—related municipal entity for the year ended December 31, 2017 (Schedules 2 and 4 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note 1.

Krudsen, Monroe & Company, LLC

Certified Public Accountants

July 13, 2018

City of Moundridge, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2017

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Accounts Payable and Encumbrances	Ending Cash Balance
General Fund	\$ 692	938,859	920,166	19,385	19,593	38,978
Special Purpose Funds						
Employee benefit	18,171	165,160	141,988	41,343	-	41,343
Library	(3,666)	80,934	80,000	(2,732)	-	(2,732)
Street maintenance	158,915	198,952	289,432	68,435	6,598	75,033
Airport	32,806	23,229	31,583	24,452	-	24,452
Special street and highway	29,934	79,964	9,010	100,888	-	100,888
Municipal court	18,921	20,413	16,374	22,960	-	22,960
Park	24,778	4,902	21,889	7,791	1,780	9,571
Health risk management	38,736	64,008	55,193	47,551	-	47,551
Pack park	75,254	1,030	4,838	71,446	-	71,446
Equipment reserve	4,320	168,000	156,305	16,015	-	16,015
Total Special Purpose Funds	398,169	806,592	806,612	398,149	8,378	406,527
Bond and Interest Fund	12,550	40,000	35,238	17,312	-	17,312
Capital Project Funds						
Capital Improvement Phase I	(19,156)	1,945	-	(17,211)	-	(17,211)
Meadow View Phase II	(103,913)	-	-	(103,913)	-	(103,913)
Community Safe Room	(12,841)	12,841	-	-	-	-
KDOT Airport Improvement	-	37,240	29,400	7,840	-	7,840
Hatchery Building	(23,721)	-	11,907	(35,628)	-	(35,628)
Geometric	(21,250)	-	-	(21,250)	-	(21,250)
Waste Water Treatment Plant	-	122,402	122,402	-	-	-
Total Capital Project Funds	(180,881)	174,428	163,709	(170,162)	-	(170,162)
Business Funds						
Electric	235,270	2,963,805	3,103,425	95,650	178,443	274,093
Gas	268,706	607,324	718,555	157,475	1,825	159,300
Refuse	56,396	132,550	125,286	63,660	9,217	72,877
Sewer	108,527	302,537	239,168	171,896	2,014	173,910
Water	181,395	432,542	408,395	205,542	6,315	211,857
Electric reserve	443,858	-	-	443,858	-	443,858
Sewer replacement	33,033	-	23,967	9,066	-	9,066
Water reserve	30,170	-	-	30,170	-	30,170
Total Business Funds	1,357,355	4,438,758	4,618,796	1,177,317	197,814	1,375,131
Trust Fund						
Special Law Enforcement Trust	-	4,550	795	3,755	-	3,755
Related Municipal Entity						
Library Board	49,605	97,608	108,925	38,288	-	38,288
Total Reporting Entity						
(Excluding Agency Funds)	\$ 1,637,490	6,500,795	6,654,241	1,484,044	225,785	1,709,829
Composition of Cash						
Cash on hand					\$	600
Cash in bank, The Citizens State Bank						
General checking						397,235
Health risk management checking						47,551
Trust fund checking						3,755
Savings						415,302
Certificates of Deposit						841,185
Related Municipal Entity						55,807
Total Cash						1,761,435
Less Agency Funds per Schedule 3						51,606
Total Reporting Entity (Excluding Agency Funds)						\$ 1,709,829

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

City of Moundridge, Kansas
NOTES TO FINANCIAL STATEMENT

December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of Moundridge is a municipal corporation governed by an elected five-member council. This financial statement presents the City of Moundridge (City) and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Library Board – The City of Moundridge Library Board operates the City's public library. Acquisition or disposition of real property must be approved by the City. The City makes appropriations to the library to assist in funding capital expenditures and operating expenses. The governing body is appointed by the City council.

Related Organization

The Moundridge Housing Authority is a related organization that is not included in the financial reporting entity. The Authority was created to administer public housing programs authorized by the United States Housing Act of 1937, as amended. Revenues consist of housing assistance payments from the U.S. Department of Housing and Urban Development and rent received from eligible low income tenants.

Regulatory Basis Fund Types

General 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 regulatory receipt 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 acquisition or construction of major capital facilities or equipment.

Business Fund – used to account in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

Trust 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 – used to report assets held by the City in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.).

NOTES TO FINANCIAL STATEMENT

December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The City 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 City to use the regulatory basis of accounting.

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 Fund, 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:

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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and

NOTES TO FINANCIAL STATEMENT

December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

encumbrances. Encumbrances are commitments by the City 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, Business Reserve Accounts, Agency Funds, Trust Funds, and certain Special Purpose Funds as noted in the presentation of the appropriate Schedules 2, 3 and 4.

Spending in funds that 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.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

K.S.A. 12-1608 requires third class cities to publish an annual financial statement showing by fund: beginning and ending balances, receipts, and expenditures along with obligation/liability information. The City's annual report for the year ended December 31, 2017, was published late.

K.S.A. 10-1113 requires municipalities to keep an unencumbered cash balance of zero or above in each individual fund at all times. For the year ended December 31, 2017, the Library fund had a negative balance.

3. 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, 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 City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City'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 City has no investment policy that would further limit its investment choices.

City of Moundridge, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2017

3. DEPOSITS AND INVESTMENTS (Continued)

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. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the carrying amount of the City's primary government deposits was \$1,705,028 and the bank balance was \$1,750,955. The balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, \$1,500,955 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

4. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

Capital Project	Project Authorization	Expenditures To Date	Excess Authorization
Meadow View - Phase II	\$ 500,000	493,550	6,450
Hatchery Building Renovation	65,000	35,628	29,372
Geometric Program	25,000	21,250	3,750
KDOT Airport Improvement	37,240	29,400	7,840
Waste Water Treatment Plant	2,525,500	122,402	2,403,098
	<u>\$ 3,152,740</u>	<u>702,230</u>	<u>2,450,510</u>

City of Moundridge, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2017

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Maturity Date	Balance 12/31/16	Additions	Retirements	Balance 12/31/17	Interest Paid
General Obligation Bond, Series 2015	0.75-2.5%	05/20/15	\$ 315,000	10/21/25	\$ 285,000	-	30,000	255,000	5,238
KDHE Loan (2795)	2.84%	10/08/13	1,060,000	08/01/35	1,018,381	-	41,092	977,289	28,633
KDHE Loan (1950-01)	2.21%	07/01/17	1,668,550		-	122,402	-	122,402	-
					<u>1,303,381</u>	<u>122,402</u>	<u>71,092</u>	<u>1,354,691</u>	<u>33,871</u>
Capital Leases Payable									
Slurry Truck	3.50%	12/12/12	274,969	12/31/17	58,892	-	58,892	-	-
Caterpillar 924K	3.00%	04/09/14	139,457	04/09/19	85,893	-	27,872	58,021	2,319
John Deere Backhoe	3.00%	06/05/14	90,659	06/05/19	56,017	-	18,116	37,901	1,704
Sewer Vacuum Truck	3.00%	10/15/14	140,000	10/15/17	48,306	-	48,306	-	-
Ford F450 Ambulance	3.75%	11/28/14	135,466	11/28/19	80,725	-	27,059	53,666	615
2016 Dodge Ram Pickup	3.75%	05/13/16	29,769	12/13/17	14,938	-	14,938	-	556
Altec Bucket Truck	3.75%	06/21/16	134,321	05/21/20	100,663	-	32,343	68,320	3,744
					<u>445,434</u>	<u>-</u>	<u>227,526</u>	<u>217,908</u>	<u>8,938</u>
Total contractual indebtedness					<u>\$ 1,748,815</u>	<u>122,402</u>	<u>298,618</u>	<u>1,572,599</u>	<u>42,809</u>

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

	Year ending December 31								Total
	2018	2019	2020	2021	2022	2023-2027	2028-2032	2033-2037	
Principal									
General Obligation Bond	\$ 30,000	30,000	30,000	30,000	30,000	105,000	-	-	255,000
KDHE Loans	42,399	43,545	44,791	46,072	47,390	258,072	297,151	197,869	977,289
Capital Leases Payable	108,889	109,019	-	-	-	-	-	-	217,908
Total principal	<u>181,288</u>	<u>182,564</u>	<u>74,791</u>	<u>76,072</u>	<u>77,390</u>	<u>363,072</u>	<u>297,151</u>	<u>197,869</u>	<u>1,450,197</u>
Interest									
General Obligation Bond	5,012	4,638	4,262	3,738	3,212	5,163	-	-	26,025
KDHE Loans	24,111	23,050	21,958	20,834	19,679	79,875	45,612	8,794	243,913
Capital Leases Payable	7,426	3,774	-	-	-	-	-	-	11,200
Total interest	<u>36,549</u>	<u>31,462</u>	<u>26,220</u>	<u>24,572</u>	<u>22,891</u>	<u>85,038</u>	<u>45,612</u>	<u>8,794</u>	<u>281,138</u>
Total Principal and Interest	<u>\$ 217,837</u>	<u>214,026</u>	<u>101,011</u>	<u>100,644</u>	<u>100,281</u>	<u>448,110</u>	<u>342,763</u>	<u>206,663</u>	<u>1,731,335</u>

City of Moundridge, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2017

6. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Health Risk Management Fund	K.S.A. 12-16,102	\$ 63,984
Street Maintenance Fund	Equipment Reserve Fund	K.S.A. 12-825d	60,000
Electric Fund	Bond and Interest Fund	K.S.A. 12-825d	20,000
Electric Fund	Equipment Reserve Fund	K.S.A. 12-825d	65,000
Gas Fund	Bond and Interest Fund	K.S.A. 12-825d	20,000
Gas Fund	Equipment Reserve Fund	K.S.A. 12-825d	30,000
Water Fund	Equipment Reserve Fund	K.S.A. 12-825d	13,000
			<u>\$ 271,984</u>

7. 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. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate 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 the City were \$107,587 for the year ended December 31, 2017.

NOTES TO FINANCIAL STATEMENT

December 31, 2017

7. DEFINED BENEFIT PENSION PLAN (Continued)

Net Pension Liability

At December 31, 2017, the City's proportionate share of the collective net pension liability reported by KPERS was \$990,526. 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 nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

8. DEFERRED COMPENSATION PLAN

Employees of the City may participate in a deferred compensation plan adopted under the provisions of the Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Assets of the plan, valued at current market prices, are held in trust for the benefit of the participants by the insurance company. All amounts of compensation deferred under the plan as well as earnings attributable to those amounts are solely the property of the participant employees. Accordingly, the assets and related liabilities for the plan are not recorded in the accompanying financial statement.

The following schedule summarizes activity in the accounts maintained by the insurance company during the year ended December 31, 2017:

Balance, December 31, 2016	\$ 639,116
Deposits - compensation deferred by participants	39,621
Withdrawals	(27,697)
Interest and dividends	28,266
Change in market value	69,256
Fees	(738)
Balance, December 31, 2017	<u>\$ 747,824</u>

City of Moundridge, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2017

9. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Employee Benefits

Full-time employees earn vacation leave as follows:

Completion of one year of employment	6 days
Completion of two through five years of employment	12 days
Completion of six through ten years of employment	15 days
Completion of eleven through nineteen years of employment	18 days
After twenty years of employment	24 days

Vacation leave is allowed to accrue up to a total of 240 hours, plus any days accrued since the employee's last anniversary date.

Full-time employees earn 12 days of paid sick leave in one year of service which can be accumulated to a maximum of 100 days that may be carried forward at the end of any calendar year ending December 31. On December 31 of each calendar year, employees may convert 25% of the unused portion of their annual sick leave allowance that is in excess of the 100 days allowed to be "carried forward" into personal leave. Personal leave is allowed to accrue with no limits.

Upon termination of employment, 25% of unused sick leave, 100% of personal leave and 100% of vacation leave will be paid at the rate of pay being earned at the time of termination. The potential liability for sick leave at December 31, 2017 is \$53,256, for vacation and personal time at December 31, 2017 is approximately \$91,720. This liability has not been reflected in the financial statement.

10. SELF INSURANCE - RISK MANAGEMENT

The City maintains a Health Risk Management fund to partially self-insure the health insurance for employees. Under the City's health insurance plan, the City will pay the \$250 deductible for employees as well as the twenty percent (20%) co-pay of the next \$1,000 of medical expenses. The cost of the plan for the City was \$55,193 for the year ending December 31, 2017.

11. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has

NOTES TO FINANCIAL STATEMENT

December 31, 2017

11. CLAIMS AND JUDGMENTS (Continued)

purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2016 to 2017 and there were no settlements that exceeded insurance coverage in the past three years.

During the course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

12. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2017, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through July 13, 2018, which is the date at which the financial statement was available to be issued.

13. SUBSEQUENT EVENTS

In January 2018, per Resolution 2017-09, the City became a participating employer with the Kansas Police and Firemen's Retirement System.

In March 2018, the City approved ordinance No. 966 authorizing the execution of a loan agreement between the City and the State of Kansas for the purpose of obtaining a loan from the Kansas Water Pollution Control Revolving Fund for the purpose of financing a waste water treatment project.

In March 2018, the City approved Ordinance No. 967 creating a Public Building Commission.

In May 2018, the City approved a five-year lease purchase agreement for a Bobcat compact excavator in the amount of \$54,900.

CITY OF MOUNDRIDGE
REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017

City of Moundridge, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2017

Funds	Certified Budget	Adjustment for Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	\$ 949,700	-	949,700	920,166	(29,534)
Special Purpose Funds					
Employee benefit	210,000	-	210,000	141,988	(68,012)
Library	80,000	-	80,000	80,000	-
Street maintenance	366,000	-	366,000	289,432	(76,568)
Airport	47,000	-	47,000	31,583	(15,417)
Special street and highway	82,000	-	82,000	9,010	(72,990)
Municipal court	19,600	-	19,600	16,374	(3,226)
Park	31,000	-	31,000	21,889	(9,111)
Bond and Interest	35,238	-	35,238	35,238	-
Business Funds					
Electric	3,372,000	-	3,372,000	3,103,425	(268,575)
Gas	1,388,000	-	1,388,000	718,555	(669,445)
Refuse	142,666	-	142,666	125,286	(17,380)
Sewer	340,000	-	340,000	239,168	(100,832)
Water	518,300	-	518,300	408,395	(109,905)
Expenditures subject to current budget	<u>\$ 7,581,504</u>	<u>-</u>	<u>7,581,504</u>	<u>6,140,509</u>	<u>(1,440,995)</u>

City of Moundridge, 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)

	2016 Actual	2017		Variance - Over (Under)
		Actual	Budget	
RECEIPTS				
Ad valorem property tax	\$ 83,117	144,563	148,144	(3,581)
Delinquent tax	258	827	2,000	(1,173)
Vehicle tax	1,655	12,080	13,968	(1,888)
County sales tax	487,497	489,552	450,000	39,552
Liquor tax	4,439	3,452	3,800	(348)
LHA payment in lieu of tax	16,640	33,770	20,000	13,770
Transient tax	-	90	-	90
Franchise fees	16,736	22,317	10,000	12,317
Ambulance	116,999	148,178	155,000	(6,822)
Permits and fees	15,549	11,649	20,000	(8,351)
City bus fares	22,389	22,335	33,000	(10,665)
Interest	4,642	4,833	3,000	1,833
Economic development grant	4,763	4,727	4,500	227
Other	38,541	40,486	10,000	30,486
Transfer from Electric Fund	11,000	-	-	-
Total receipts	824,225	938,859	873,412	65,447
EXPENDITURES, page 15	1,004,669	920,166		
Receipts over (under) expenditures	(180,444)	18,693		
UNENCUMBERED CASH, beginning	181,136	692		
UNENCUMBERED CASH, ending	\$ 692	19,385		

City of Moundridge, Kansas

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

For the Year Ended December 31, 2017

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

		2017		Variance -
	2016	Actual	Budget	Over
	Actual			(Under)
EXPENDITURES				
Administration				
Personnel services	25,962	17,344	12,000	5,344
Commodities and contractual services	144,155	117,228	154,000	(36,772)
Capital outlay	288	5,999	16,000	(10,001)
Residential Housing Grant	39,800	24,000	24,000	-
Police				
Personnel services	256,799	248,385	250,000	(1,615)
Commodities and contractual services	37,361	38,979	30,000	8,979
Capital outlay	78,506	29,345	12,000	17,345
Fire	85,000	85,000	85,000	-
Refuse	11,009	-	-	-
Ambulance				
Personnel services	138,045	154,394	150,000	4,394
Commodities and contractual services	54,421	46,840	45,000	1,840
Capital outlay	37,844	31,853	18,000	13,853
Bus service				
Personnel services	22,821	22,931	47,000	(24,069)
Commodities and contractual services	5,323	5,653	-	5,653
Library	1,873	-	7,000	(7,000)
Park and ball diamond	7,642	12,399	9,000	3,399
Swimming pool	1,041	73	10,000	(9,927)
Custodian	-	-	1,500	(1,500)
Historical association	15,350	4,769	12,000	(7,231)
Other	23,046	10,990	7,200	3,790
Transfer to				
Equipment Reserve Fund	-	-	60,000	(60,000)
Health Risk Management Fund	18,383	63,984	-	63,984
TOTAL EXPENDITURES	1,004,669	920,166	949,700	(29,534)

City of Moundridge, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		
	2016 Actual	Actual	Budget	Variance - Over (Under)
<u>EMPLOYEE BENEFIT FUND</u>				
RECEIPTS				
Ad valorem property tax	\$ 73,713	149,895	153,603	(3,708)
Delinquent tax	1,186	1,246	2,000	(754)
Vehicle tax	16,624	14,019	12,387	1,632
Transfer from				
Electric Fund	-	-	15,000	(15,000)
Gas Fund	-	-	15,000	(15,000)
Water Fund	-	-	15,000	(15,000)
Total receipts	91,523	165,160	212,990	(47,830)
EXPENDITURES				
Health insurance	147,220	141,988	210,000	(68,012)
Receipts over (under) expenditures	(55,697)	23,172		
UNENCUMBERED CASH, beginning	73,868	18,171		
UNENCUMBERED CASH, ending	\$ 18,171	41,343		
<u>LIBRARY FUND</u>				
RECEIPTS				
Ad valorem property tax	\$ 55,364	69,920	71,642	(1,722)
Delinquent tax	691	779	1,100	(321)
Vehicle tax	9,980	10,235	9,304	931
Total receipts	66,035	80,934	82,046	(1,112)
EXPENDITURES				
Appropriations to library board	75,000	80,000	80,000	-
Receipts over (under) expenditures	(8,965)	934		
UNENCUMBERED CASH, beginning	5,299	(3,666)		
UNENCUMBERED CASH, ending	\$ (3,666)	(2,732)		

City of Moundridge, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		Variance -
	2016	Actual	Budget	Over
	Actual			(Under)
<u>STREET MAINTENANCE FUND</u>				
RECEIPTS				
Ad valorem property tax	\$ 240,162	132,523	135,797	(3,274)
Delinquent tax	2,706	2,868	2,700	168
Vehicle tax	39,968	43,974	40,362	3,612
Other	1,824	19,587	15,000	4,587
Total receipts	<u>284,660</u>	<u>198,952</u>	<u>193,859</u>	<u>5,093</u>
EXPENDITURES				
Commodities	94,660	107,817	100,000	7,817
Contractual services	201,274	62,875	206,000	(143,125)
Capital outlay	61,066	58,740	-	58,740
Transfer to Equipment Reserve Fund	-	60,000	60,000	-
Total expenditures	<u>357,000</u>	<u>289,432</u>	<u>366,000</u>	<u>(76,568)</u>
Receipts over (under) expenditures	(72,340)	(90,480)		
UNENCUMBERED CASH, beginning	<u>231,255</u>	<u>158,915</u>		
UNENCUMBERED CASH, ending	<u>\$ 158,915</u>	<u>68,435</u>		
<u>AIRPORT FUND</u>				
RECEIPTS				
Fuel sales	\$ 13,088	21,684	11,500	10,184
Other	3,444	1,545	8,500	(6,955)
Total receipts	<u>16,532</u>	<u>23,229</u>	<u>20,000</u>	<u>3,229</u>
EXPENDITURES				
Commodities	15,033	22,593	20,000	2,593
Contractual services	9,460	8,990	27,000	(18,010)
Total expenditures	<u>24,493</u>	<u>31,583</u>	<u>47,000</u>	<u>(15,417)</u>
Receipts over (under) expenditures	(7,961)	(8,354)		
UNENCUMBERED CASH, beginning	<u>40,767</u>	<u>32,806</u>		
UNENCUMBERED CASH, ending	<u>\$ 32,806</u>	<u>24,452</u>		

City of Moundridge, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		Variance -
	2016	Actual	Budget	Over
	Actual			(Under)
<u>SPECIAL STREET AND HIGHWAY FUND</u>				
RECEIPTS				
Gasoline tax	\$ 45,389	45,778	44,000	1,778
Connecting link	12,140	12,124	12,000	124
Other	-	22,062	11,000	11,062
Total receipts	<u>57,529</u>	<u>79,964</u>	<u>67,000</u>	<u>12,964</u>
EXPENDITURES				
Commodities	-	-	50,000	(50,000)
Contractual services	59,462	9,010	30,000	(20,990)
Capital outlay	-	-	2,000	(2,000)
Transfer to Capital Improvement	20,538	-	-	-
Total expenditures	<u>80,000</u>	<u>9,010</u>	<u>82,000</u>	<u>(72,990)</u>
Receipts over (under) expenditures	(22,471)	70,954		
UNENCUMBERED CASH, beginning	<u>52,405</u>	<u>29,934</u>		
UNENCUMBERED CASH, ending	<u>\$ 29,934</u>	<u>100,888</u>		
<u>MUNICIPAL COURT FUND</u>				
RECEIPTS				
Fines	\$ 17,992	20,413	12,000	8,413
EXPENDITURES				
Legal services	4,488	4,701	2,000	2,701
Judges fees	3,600	3,600	3,600	-
Other court expense	<u>7,321</u>	<u>8,073</u>	<u>14,000</u>	<u>(5,927)</u>
Total expenditures	<u>15,409</u>	<u>16,374</u>	<u>19,600</u>	<u>(3,226)</u>
Receipts over (under) expenditures	2,583	4,039		
UNENCUMBERED CASH, beginning	<u>16,338</u>	<u>18,921</u>		
UNENCUMBERED CASH, ending	<u>\$ 18,921</u>	<u>22,960</u>		

City of Moundridge, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		
	2016	Actual	Budget	Variance -
	Actual			Over
				(Under)
<u>PARK FUND</u>				
RECEIPTS				
Liquor tax	\$ 4,439	3,452	3,800	(348)
Other	9,645	1,450	500	950
Transfer from				
Gas	-	-	15,000	(15,000)
Electric	-	-	10,000	(10,000)
Water	-	-	5,000	(5,000)
Total receipts	<u>14,084</u>	<u>4,902</u>	<u>34,300</u>	<u>(29,398)</u>
EXPENDITURES				
Personnel services	-	-	1,000	(1,000)
Commodities	1,099	1,387	5,000	(3,613)
Contractual services	6,476	20,502	5,000	15,502
Capital outlay	<u>8,773</u>	<u>-</u>	<u>20,000</u>	<u>(20,000)</u>
Total expenditures	<u>16,348</u>	<u>21,889</u>	<u>31,000</u>	<u>(9,111)</u>
Receipts over (under) expenditures	(2,264)	(16,987)		
UNENCUMBERED CASH, beginning	<u>27,042</u>	<u>24,778</u>		
UNENCUMBERED CASH, ending	<u>\$ 24,778</u>	<u>7,791</u>		

City of Moundridge, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

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

	<u>2016</u>	<u>2017</u>
<u>HEALTH RISK MANAGEMENT FUND</u>		
RECEIPTS		
Transfer from General Fund	\$ 18,383	63,984
Interest	36	24
Total receipts	<u>18,419</u>	<u>64,008</u>
EXPENDITURES		
Benefits paid	28,962	52,268
Other expenses	7,332	2,925
Total expenditures	<u>36,294</u>	<u>55,193</u>
Receipts over (under) expenditures	(17,875)	8,815
UNENCUMBERED CASH, beginning	<u>56,611</u>	<u>38,736</u>
UNENCUMBERED CASH, ending	<u><u>\$ 38,736</u></u>	<u><u>47,551</u></u>
 <u>PACK PARK FUND</u>		
RECEIPTS		
Grain sales and other	\$ 8,592	1,030
EXPENDITURES		
Commodities	2,083	1,332
Contractual services	1,768	3,506
Capital outlay	-	-
Total expenditures	<u>3,851</u>	<u>4,838</u>
Receipts over (under) expenditures	4,741	(3,808)
UNENCUMBERED CASH, beginning	<u>70,513</u>	<u>75,254</u>
UNENCUMBERED CASH, ending	<u><u>\$ 75,254</u></u>	<u><u>71,446</u></u>

City of Moundridge, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

	<u>2016</u>	<u>2017</u>
<u>EQUIPMENT RESERVE FUND</u>		
RECEIPTS		
Lease proceeds	\$ 164,090	-
Transfer from		
Street Maintenance Fund	-	60,000
Electric Fund	40,000	65,000
Gas Fund	10,000	30,000
Water Fund	-	13,000
Total receipts	<u>214,090</u>	<u>168,000</u>
EXPENDITURES		
Equipment purchase	3,292	44,031
Lease purchase - principal	225,682	107,695
Lease purchase - interest	<u>8,670</u>	<u>4,579</u>
Total expenditures	<u>237,644</u>	<u>156,305</u>
Receipts over (under) expenditures	(23,554)	11,695
UNENCUMBERED CASH, beginning	<u>27,874</u>	<u>4,320</u>
UNENCUMBERED CASH, ending	<u>\$ 4,320</u>	<u>16,015</u>

City of Moundridge, Kansas

Bond and Interest FundSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

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

		2017		
	2016 Actual	Actual	Budget	Variance - Over (Under)
<u>BOND AND INTEREST FUND</u>				
RECEIPTS				
Transfer from				
Electric Fund	\$ 25,000	20,000	20,000	-
Gas Fund	25,000	20,000	20,000	-
Total receipts	<u>50,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
EXPENDITURES				
Principal	30,000	30,000	30,000	-
Interest	7,450	5,238	5,238	-
Total expenditures	<u>37,450</u>	<u>35,238</u>	<u>35,238</u>	<u>-</u>
Receipts over (under) expenditures	12,550	4,762		
UNENCUMBERED CASH, beginning	<u>-</u>	<u>12,550</u>		
UNENCUMBERED CASH, ending	<u>\$ 12,550</u>	<u>17,312</u>		

City of Moundridge, Kansas

Capital Project Funds

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

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

		2017 ACTUAL							
	2016 ACTUAL	CAPITAL IMPROVE- MENT PHASE I	MEADOW VIEW PHASE II	COMMUNITY SAFE ROOM	KDOT AVIATION IMPROVE- MENT	HATCHERY BUILDING	GEOMETRIC	WASTE WATER TREATMENT PLANT	TOTAL
RECEIPTS									
Loan Proceeds	\$ 39,325	-	-	-	-	-	-	122,402	122,402
Grant funds	153,863		-	12,841		-	-	-	12,841
Other income	1,203,885	1,945	-	-	37,240	-	-	-	39,185
Transfer from									-
Special Street & Highway	20,538		-	-		-	-	-	-
Capital Improvement - future projects	109,481		-	-		-	-	-	-
Water	124,902	-	-	-	-	-	-	-	-
Water Reserve	21,788	-	-	-	-	-	-	-	-
Total receipts	<u>1,673,782</u>	<u>1,945</u>	<u>-</u>	<u>12,841</u>	<u>37,240</u>	<u>-</u>	<u>-</u>	<u>122,402</u>	<u>174,428</u>
EXPENDITURES									
Commodities	64,470	-	-	-	-	-	-	-	-
Contractual services	864,409	-	-	-	29,400	-	-	122,402	151,802
Capital Outlay	538,521	-	-			11,907	-	-	11,907
Transfer to									-
K-Link Grant	62,241	-	-	-	-	-	-	-	-
West Shelter	47,240	-	-	-	-	-	-	-	-
Total expenditures	<u>1,576,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,400</u>	<u>11,907</u>	<u>-</u>	<u>122,402</u>	<u>163,709</u>
Receipts over (under) expenditures	96,901	1,945	-	12,841	7,840	(11,907)	-	-	10,719
UNENCUMBERED CASH, beginning	<u>(277,782)</u>	<u>(19,156)</u>	<u>(103,913)</u>	<u>(12,841)</u>	<u>-</u>	<u>(23,721)</u>	<u>(21,250)</u>	<u>-</u>	<u>(180,881)</u>
UNENCUMBERED CASH, ending	<u>\$ (180,881)</u>	<u>(17,211)</u>	<u>(103,913)</u>	<u>-</u>	<u>7,840</u>	<u>(35,628)</u>	<u>(21,250)</u>	<u>-</u>	<u>(170,162)</u>

City of Moundridge, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		Variance -
	2016	Actual	Budget	Over
	Actual			(Under)
<u>ELECTRIC FUND</u>				
RECEIPTS				
Sales	\$ 2,891,404	2,942,991	3,300,000	(357,009)
Connection fees and other	32,852	20,814	50,000	(29,186)
Total receipts	<u>2,924,256</u>	<u>2,963,805</u>	<u>3,350,000</u>	<u>(386,195)</u>
EXPENDITURES				
Personnel services	656,878	718,628	800,000	(81,372)
Commodities	317,358	280,347	235,000	45,347
Contractual services	7,054	23,732	-	23,732
Electricity purchases	1,747,617	1,957,230	2,200,000	(242,770)
Capital outlay	58,949	38,488	10,000	28,488
Transfer to				
General Fund	11,000	-	-	-
Bond and Interest Fund	25,000	20,000	20,000	-
Electric Reserve Fund	-	-	42,000	(42,000)
Equipment Reserve Fund	40,000	65,000	65,000	-
Total expenditures	<u>2,863,856</u>	<u>3,103,425</u>	<u>3,372,000</u>	<u>(268,575)</u>
Receipts over (under) expenditures	60,400	(139,620)		
UNENCUMBERED CASH, beginning	<u>174,870</u>	<u>235,270</u>		
UNENCUMBERED CASH, ending	<u>\$ 235,270</u>	<u>95,650</u>		

City of Moundridge, Kansas

Business FundsSCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2017

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

		2017		Variance -
	2016	Actual	Budget	Over
	Actual			(Under)
<u>GAS FUND</u>				
RECEIPTS				
Sales	\$ 579,389	599,555	1,300,000	(700,445)
Connection fees	10,276	7,662	24,000	(16,338)
Other	2,800	107	-	107
Total receipts	<u>592,465</u>	<u>607,324</u>	<u>1,324,000</u>	<u>(716,676)</u>
EXPENDITURES				
Personnel services	196,419	192,827	198,000	(5,173)
Contractual services	50,209	79,966	-	79,966
Commodities	33,057	21,329	215,000	(193,671)
Gas purchases	332,276	371,566	900,000	(528,434)
Capital outlay	3,755	2,867	10,000	(7,133)
Transfer to				
Bond and Interest Fund	25,000	20,000	20,000	-
Equipment Reserve Fund	10,000	30,000	30,000	-
Park Fund	-	-	15,000	(15,000)
Total expenditures	<u>650,716</u>	<u>718,555</u>	<u>1,388,000</u>	<u>(669,445)</u>
Receipts over (under) expenditures	(58,251)	(111,231)		
UNENCUMBERED CASH, beginning	<u>326,957</u>	<u>268,706</u>		
UNENCUMBERED CASH, ending	<u>\$ 268,706</u>	<u>157,475</u>		

City of Moundridge, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		Variance -
	2016 Actual	Actual	Budget	Over (Under)
<u>REFUSE FUND</u>				
RECEIPTS				
User fees	\$ 131,684	132,550	135,000	(2,450)
EXPENDITURES				
Personnel services	1,679	12,653	16,666	(4,013)
Commodities	1,785	1,729	10,000	(8,271)
Contractual services	107,929	110,904	116,000	(5,096)
Total expenditures	111,393	125,286	142,666	(17,380)
Receipts over (under) expenditures	20,291	7,264		
UNENCUMBERED CASH, beginning	36,105	56,396		
UNENCUMBERED CASH, ending	\$ 56,396	63,660		
<u>SEWER FUND</u>				
RECEIPTS				
User fees	\$ 242,649	294,771	260,000	34,771
Other	26,532	7,766	1,500	6,266
Total receipts	269,181	302,537	261,500	41,037
EXPENDITURES				
Personal services	53,557	107,662	60,000	47,662
Commodities	28,430	31,752	50,000	(18,248)
Contractual services	188,264	74,019	210,000	(135,981)
Capital outlay	4,624	25,735	10,000	15,735
Lease purchase - principal	155,854	-	-	-
Lease purchase - interest	5,861	-	-	-
Transfer to				
Sewer Replacement Fund	-	-	10,000	(10,000)
Total expenditures	436,590	239,168	340,000	(100,832)
Receipts over (under) expenditures	(167,409)	63,369		
UNENCUMBERED CASH, beginning	275,936	108,527		
UNENCUMBERED CASH, ending	\$ 108,527	171,896		

City of Moundridge, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017

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

		2017		
	2016			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>WATER FUND</u>				
RECEIPTS				
Sales	\$ 371,456	427,217	420,000	7,217
Connection fees	21,647	3,883	10,000	(6,117)
Other	5,060	1,442	60,000	(58,558)
Total receipts	<u>398,163</u>	<u>432,542</u>	<u>490,000</u>	<u>(57,458)</u>
EXPENDITURES				
Personnel services	111,128	120,386	190,000	(69,614)
Contractual services	105,252	122,589	110,000	12,589
Commodities	151,772	80,294	95,000	(14,706)
Capital outlay	12,221	2,401	21,000	(18,599)
Principal	41,619	41,092	42,000	(908)
Interest	24,642	25,104	24,300	804
Service fees	3,464	3,529	1,000	2,529
Transfer to				
Equipment Reserve Fund	-	13,000	30,000	(17,000)
Park Fund	-	-	5,000	(5,000)
Capital Improvement Fund	124,902	-	-	-
Total expenditures	<u>575,000</u>	<u>408,395</u>	<u>518,300</u>	<u>(109,905)</u>
Receipts over (under) expenditures	(176,837)	24,147		
UNENCUMBERED CASH, beginning	<u>358,232</u>	<u>181,395</u>		
UNENCUMBERED CASH, ending	<u>\$ 181,395</u>	<u>205,542</u>		

City of Moundridge, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS**

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

	2016 Actual	2017 Actual
<u>ELECTRIC RESERVE FUND</u>		
RECEIPTS	\$ -	-
EXPENDITURES	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	443,858	443,858
UNENCUMBERED CASH, ending	<u>\$ 443,858</u>	<u>443,858</u>
<u>SEWER REPLACEMENT FUND</u>		
RECEIPTS	\$ -	-
EXPENDITURES	-	23,967
Receipts over (under) expenditures	-	(23,967)
UNENCUMBERED CASH, beginning	33,033	33,033
UNENCUMBERED CASH, ending	<u>\$ 33,033</u>	<u>9,066</u>
<u>WATER RESERVE FUND</u>		
RECEIPTS	\$ -	-
EXPENDITURES		
Transfer to Capital Improvement	21,788	-
Receipts over (under) expenditures	(21,788)	-
UNENCUMBERED CASH, beginning	51,958	30,170
UNENCUMBERED CASH, ending	<u>\$ 30,170</u>	<u>30,170</u>

City of Moundridge, Kansas

Trust Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS**

For the Year Ended December 31, 2017

	<u>2017</u>
<u>SPECIAL LAW ENFORCEMENT TRUST FUND</u>	
RECEIPTS	
Monies seized	\$ 4,550
EXPENDITURES	
Commodities	<u>795</u>
Receipts over (under) expenditures	3,755
UNENCUMBERED CASH, beginning	<u>-</u>
UNENCUMBERED CASH, ending	<u>\$ 3,755</u>

City of Moundridge, Kansas

Agency FundsSCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended December 31, 2017

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Meter Deposit Fund	\$ 14,035	8,141	4,900	17,276
Ambulance Fund	10,189	6,982	1,791	15,380
CDBG Grant - Tortilla King	-	26,430	26,430	-
CDBG Grant Funds	5,531	203,929	204,460	5,000
CDBG Grant -Homeowner Match	-	9,807	9,807	-
Sales Tax Fund	<u>8,733</u>	<u>97,811</u>	<u>92,594</u>	<u>13,950</u>
Total	<u>\$ 38,488</u>	<u>353,100</u>	<u>339,982</u>	<u>51,606</u>

City of Moundridge, Kansas

Related Municipal Entity**SCHEDULE OF RECEIPTS AND EXPENDITURES**
Regulatory Basis

For the Years Ended December 31, 2016 and 2017

	<u>2016</u>	<u>2017</u>
<u>LIBRARY BOARD</u>		
RECEIPTS		
City appropriation	\$ 75,023	80,000
State and local grants	14,292	13,722
Interest	40	49
Other	<u>4,339</u>	<u>3,837</u>
Total receipts	<u>93,694</u>	<u>97,608</u>
EXPENDITURES		
Personnel services	64,942	66,798
Books, periodicals and materials	14,239	13,324
Technology	4,670	4,286
Operating expenses and other	<u>7,901</u>	<u>24,517</u>
Total expenditures	<u>91,752</u>	<u>108,925</u>
Receipts over (under) expenditures	1,942	(11,317)
UNENCUMBERED CASH, beginning	<u>47,663</u>	<u>49,605</u>
UNENCUMBERED CASH, ending	<u><u>\$ 49,605</u></u>	<u><u>38,288</u></u>