

CITY OF LAKIN, KANSAS
FINANCIAL STATEMENT
FOR THE YEAR ENDED
DECEMBER 31, 2017

CITY OF LAKIN, KANSAS
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For the Year Ended December 31, 2017

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Certified Public Accountants & Management Consultants

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Lakin
Lakin, Kansas

We have audited the accompanying summary statement of receipts, expenditures, and unencumbered cash of the City of Lakin, Kansas (the 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 (KMAAG)*, 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 *KMAAG*. 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 the 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 to the financial statement, the financial statement is prepared by the City to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *KMAAG*, which is a basis of accounting other than accounting principles in the United States of America.

The effects of 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

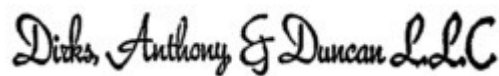
In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United 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 *KMAAG* 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, 3 and 4, 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 *KMAAG*. 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.



DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

June 4, 2018

CITY OF LAKIN, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2017

Funds	Beginning			Ending	Add:		
	Unencumbered	Receipts	Expenditures	Unencumbered	Outstanding	Ending	
	Cash Balance			Cash Balance	Encumbrances	Cash Balance	
					Payable		
General Fund	\$ 804,061	\$ 962,894	\$ 1,058,218	\$ 708,737	\$ 12,117	\$ 720,854	
<u>Special Purpose Funds:</u>							
Employee Benefits	186,589	133,599	137,004	183,184	-	183,184	
Special Highway	14,869	58,356	67,041	6,184	-	6,184	
Special Parks and Recreation	7,786	473	-	8,259	-	8,259	
Industrial Levy	18,117	447	-	18,564	-	18,564	
Transient Guest Tax	7,326	18,388	14,302	11,412	5,000	16,412	
Special Equipment	17,204	-	-	17,204	-	17,204	
Capital Improvement	295,724	170,000	-	465,724	-	465,724	
Disaster Relief	-	74,323	74,323	-	-	-	
<u>Business Funds:</u>							
Electric Utility	1,662,920	2,367,000	1,935,877	2,094,043	88,241	2,182,284	
Water Utility	748,105	766,772	681,335	833,542	7,620	841,162	
Refuse Collection	120,139	188,200	140,839	167,500	1,331	168,831	
Sewage Disposal	188,279	128,087	169,362	147,004	2,068	149,072	
Electric Reserve	609,093	100,000	-	709,093	-	709,093	
USDA Water Bond Project	364,746	50,023	414,769	-	-	-	
USDA Water Grant	35,218	14,805	50,023	-	-	-	
UIC Abandonment Reserve	40,000	10,000	-	50,000	-	50,000	
Water Reserve	75,000	50,000	-	125,000	-	125,000	
Water Debt Service	18,752	641,047	226,276	433,523	-	433,523	
Refuse Reserve	92,330	10,000	-	102,330	-	102,330	
Sewage Diposal Pump Deposit Reserve	24,000	-	-	24,000	-	24,000	
Sewage Lagoon Expansion Project	350,204	80,364	58,041	372,527	-	372,527	
<u>Related Municipal Entity:</u>							
Lakin Housing Authority	255,240	157,828	153,101	259,967	-	259,967	
Total Reporting Entity (Exlcuding Agency Funds)	<u>\$ 5,935,702</u>	<u>\$ 5,982,606</u>	<u>\$ 5,180,511</u>	<u>\$ 6,737,797</u>	<u>\$ 116,377</u>	<u>\$ 6,854,174</u>	

Composition of Cash:	The Kearny County Bank; Lakin, KS	
	Cash in Checking	\$ 2,153,945
	Money Market	4,476,943
	Housing Authority	259,968
	Total Cash	6,890,856
	Agency Fund per Schedule 4	(36,682)
	Total Reporting Entity (Exlcuding Agency Fund)	<u>\$ 6,854,174</u>

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

CITY OF LAKIN, KANSAS

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CITY OF LAKIN, KANSAS
Notes to the Financial Statement
December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Lakin is a municipal corporation governed by a mayor and an elected six-member council. This financial statement presents the City (the municipality) and its related municipal entities. The related municipal entities are included in the Municipality's reporting entity because they were established to benefit the Municipality and/or its constituents.

Related Municipal Entity

The Municipality appoints the board of the housing authority.

1. *Lakin Housing Authority* – The City of Lakin Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. The Lakin Housing Authority governing body is appointed by the City Council. Although the City does not have the authority to approve or modify the Housing Authority's operational and capital budgets, and the Housing Authority has the authority to issue bonded debt, the City is fiscally responsible for the Housing Authority as it was created as an agent of the City.

Regulatory Basis Fund Types

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

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

Business Fund - 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.)

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

Basis of Accounting

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

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.

CITY OF LAKIN, KANSAS
Notes to the Financial Statement
December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 the following capital projects funds, trust funds and the following special purpose fund(s): Special Equipment, Capital Improvement, Disaster Relief, Electric Reserve, USDA Water Bond Project, USDA Water Grant, UIC Abandonment Reserve, Water Reserve, Water Debt Service, Refuse Reserve, Sewage Disposal Pump Deposit Reserve, and Sewage Lagoon Expansion Project.

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

Ad Valorem Tax Revenues

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations on January 1. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed to the District by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the City by June 5th. The City Treasurer draws available funds from the County Treasurer's office at designated times throughout the year.

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, 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.

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. The City's allocation of

CITY OF LAKIN, KANSAS
Notes to the Financial Statement
December 31, 2017

NOTE 2 – DEPOSITS AND INVESTMENTS, CONTINUED

investments as of December 31, 2017 is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Grant County Bank	93.4%
Western State Bank	3.3%
Bank of Lakin	3.3%

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 does not use designated "peak periods".

At December 31, 2017, the carrying amount of the City's deposits, including certificates of deposit, was \$6,890,856 and the bank balance was \$7,021,289. The bank balance was held by one (1) bank, resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance, \$6,337,092 was collateralized with securities held by the pledging financial institutions agents in the City's name, and \$184,197 was unsecured.

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. The City had no investments of this type at December 31, 2017.

NOTE 3 – CAPITAL PROJECTS

In March 2004 the City received a loan from the Kansas Department of Health and Environment (KDHE) to repair the City's Sewer Lagoon. The KDHE loan is of a reimbursement nature. As the City of Lakin began payment in September 2005, the actual principal of the finalized note is still be increased with each reimbursement request. The loan amount approved by the state, and the amount in which current payment and principal is based, is for \$887,498. At the completion of the water project, the State of Kansas will adjust the payment schedule to reflect the actual cost.

NOTE 4 – INTERFUND TRANSFERS

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Capital Improvement Fund	K.S.A. 12-1, 118	\$170,000
Electric Utility Fund	Electric Reserve Fund	K.S.A. 12-825d	100,000
Electric Utility Fund	General Fund	K.S.A. 12-825d	100,000
Water Utility Fund	Water Reserve Fund	K.S.A. 12-825d	50,000
Water Utility Fund	UIC Abandonment Reserve	K.S.A. 12-825d	10,000
Water Utility Fund	Water Debt Service	K.S.A. 12-825d	226,278
Refuse Utility Fund	Refuse Collection Reserve	K.S.A. 12-825d	10,000
USDA Water Bond Project	Water Debt Service	K.S.A. 12-6a16	414,769
USDA Water Grant	USDA Water Bond Project	K.S.A. 12-6a16	50,023
Sewage Disposal Debt	Sewer Lagoon Project	K.S.A. 12-6a16	350,204

CITY OF LAKIN, KANSAS
Notes to the Financial Statement
December 31, 2017

NOTE 5 – LONG-TERM DEBT

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

	Interest Rates	Date of Issue	Amount of Issue	Final Maturity	Beginning of Year	Additions	Reductions/ Payments	End of Year	Interest Paid
<u>General Obligation Bonds:</u>									
Water Treatment 2012-A	2.75%	12/18/2012	3,129,000	2052	\$ 2,946,228	\$ -	\$ 48,931	\$ 2,897,297	\$ 81,021
Water Treatment 2012-B	2.75%	12/18/2012	1,266,000	2052	1,192,051	-	19,798	1,172,253	32,781
<u>Capital Leases:</u>									
Freightliner Truck	2.89%	7/21/2014	85,691	2019	45,822	-	17,333	28,489	1,096
Golf Course Equipment	2.95%	8/25/2015	39,869	2018	16,491	-	16,491	-	455
<u>KDHE Loans:</u>									
No. 1477-01	2.76%	3/1/2004	837,955	2021	256,007	24,935	51,344	229,598	6,090
No. 2564	3.50%	4/26/2012	627,117	2032	519,938	-	25,773	494,165	16,177
<u>KDOT Loans:</u>									
Street Paving	3.60%	4/2/2007	583,000	2017	64,711	-	64,711	-	2,330
Total Long-Term Debt					<u>\$ 5,041,248</u>	<u>\$ 24,935</u>	<u>\$ 244,381</u>	<u>\$ 4,821,802</u>	<u>\$ 139,950</u>

Current maturities of long-term debt and interest for the next years through maturity are as follow:

	Year							Total
	2018	2019	2020	2021-2030	2031-2040	2041-2050	2051-2052	
<u>Principal:</u>								
<u>General Obligation Bonds:</u>								
Water Treatment 2012-A	\$ 50,276	\$ 51,659	\$ 52,869	\$ 617,603	\$ 810,049	\$ 1,062,807	\$ 252,034	\$ 2,897,297
Water Treatment 2012-B	20,342	20,901	21,391	249,883	327,747	430,013	101,976	1,172,253
<u>Capital Leases:</u>								
Freightliner Truck	17,840	10,649	-	-	-	-	-	28,489
<u>KDHE Loans:</u>								
No. 1477-01	54,217	53,568	55,057	66,756	-	-	-	229,598
No. 2564	26,683	27,625	28,601	347,865	63,390	-	-	494,165
Total Principal	<u>169,359</u>	<u>164,402</u>	<u>157,918</u>	<u>1,282,107</u>	<u>1,201,186</u>	<u>1,492,820</u>	<u>354,010</u>	<u>4,821,802</u>
<u>Interest:</u>								
<u>General Obligation Bonds:</u>								
Water Treatment 2012-A	79,676	78,293	76,872	681,549	489,081	236,592	10,479	1,652,542
Water Treatment 2012-B	32,237	31,678	31,103	275,756	197,884	95,726	4,240	668,624
<u>Capital Leases:</u>								
Freightliner Truck	588	103	-	-	-	-	-	691
<u>KDHE Loans:</u>								
No. 1477-01	3,824	4,473	2,985	1,595	-	-	-	12,877
No. 2564	15,358	14,510	13,632	80,650	2,008	-	-	126,158
Total Interest	<u>131,683</u>	<u>129,057</u>	<u>124,592</u>	<u>1,039,550</u>	<u>688,973</u>	<u>332,318</u>	<u>14,719</u>	<u>2,460,892</u>
Total Principal and Interest	<u>\$ 301,042</u>	<u>\$ 293,459</u>	<u>\$ 282,510</u>	<u>\$ 2,321,657</u>	<u>\$ 1,890,159</u>	<u>\$ 1,825,138</u>	<u>\$ 368,729</u>	<u>\$ 7,282,694</u>

CITY OF LAKIN, KANSAS
Notes to the Financial Statement
December 31, 2017

NOTE 6 – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Vacation Leave. Vacation leave is earned and credited according to a table in the employee handbook. Time is credited to the employee monthly and begins at eighty hours per year for employees with one to two years employment, at three years it is increased to eighty-eight hours, and eight hours is added each year thereafter until the maximum of 160 hours is earned after twelve years of employment. The vacation leave is credited in the month that it is earned and can accumulate to forty hours in excess of the amount earned in the year. Vacation is payable upon employee termination. The amount of accrued leave at December 31, 2017 was \$32,987.

Sick Leave. Full-time employees earn eight hours of sick leave for each month of service. Sick leave is credited to the first payroll of the month. Sick leave may be accumulated up to ninety days, but unused sick leave is not paid upon resignation or termination. Any sick leave over ninety days will be converted to vacation days at a ratio of three days sick time to one day vacation time. Sick leave is not paid out upon termination with the City.

An employee who has accrued sick leave balance of more than 160 hours may request that the City Administrator transfer a specific amount of sick leave to another employee authorized to receive sick leave. In no event, may the employee request a transfer of an amount of sick leave that would result in his or her own sick leave account to go below 160 hours. Sick leave shall be donated in eight-hour increments.

NOTE 7 – DEFINED BENEFIT PENSION PLAN

General Information about the 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. 74-49210 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 before 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 contribution 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 and 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 until 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 \$50,096 for the year ended December 31, 2017.

CITY OF LAKIN, KANSAS
Notes to the Financial Statement
December 31, 2017

NOTE 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 \$460,421. 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 contribution 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 www.kpers.org or can be obtained as described above.

NOTE 8 – CONTINGENCIES

The City, at times, receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the City at December 31, 2017.

NOTE 9 – COMPLIANCE WITH KANSAS STATUTES

Reference made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, Kansas Department of Administration and interpretation by legal repetition of the City.

The City had \$184,197 of unsecured money in violation of K.S.A. 9-1402.

NOTE 10 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There were no other budget or cash law violation for the year ending December 31, 2017.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management's evaluation concluded that there are two subsequent events that are required to be recognized or disclosed in this financial statement.

During May 23, 2018 Council Meeting, \$73,164 was approved for main street to be scrub sealed from Hwy 50 to the Railroad tracks.

On February 28, 2018 the City spent \$46,241 on a new swimming pool slide.

CITY OF LAKIN, KANSAS

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF LAKIN, KANSAS

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CITY OF LAKIN, KANSAS
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2017

Funds	Certified Budget	Expenditures Chargeable to Current Year	Variance- Over (Under)
General Fund	\$ 1,211,234	\$ 1,058,218	\$ (153,016)
<u>Special Purpose Funds:</u>			
Employee Benefits	210,000	137,004	(72,996)
Special Highway	70,503	67,041	(3,462)
Special Parks and Recreation	9,366	-	(9,366)
Industrial Levy	18,500	-	(18,500)
Transient Guest Tax	19,442	14,302	(5,140)
<u>Business Funds:</u>			
Electric Utility	2,674,700	1,935,877	(738,823)
Water Utility	887,828	681,335	(206,493)
Refuse Collection	167,700	140,839	(26,861)
Sewage Disposal	204,050	169,362	(34,688)
Total Primary Government	<u>\$ 5,473,323</u>	<u>\$ 4,203,978</u>	<u>\$ (1,269,345)</u>

CITY OF LAKIN, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Taxes			
Ad Valorem Property Tax	\$ 267,905	\$ 270,749	\$ (2,844)
Less: Neighborhood Revitalization Rebate	(1,833)	(1,141)	(692)
Delinquent Tax	4,315	1,230	3,085
Motor Vehicle Tax	56,926	62,628	(5,702)
	<u>327,313</u>	<u>333,466</u>	<u>(6,153)</u>
Shared Revenue			
Local Sales Tax	167,583	172,000	(4,417)
Compensating Use Tax	34,933	-	34,933
Liquor Tax	963	556	407
Highway Connecting Links	7,699	7,704	(5)
	<u>211,178</u>	<u>180,260</u>	<u>402</u>
Local Revenue			
Recreation Commission - Golf Course	10,000	10,000	-
Recreation Commission - Swimming Pool	74,000	74,000	-
Recreation Commission - Park	5,000	5,000	-
	<u>89,000</u>	<u>89,000</u>	<u>-</u>
Fees, Fines, and Penalties:			
Franchise Fees	39,774	28,000	11,774
Fines and Penalties	7,239	4,000	3,239
Animal Control	5,852	2,000	3,852
Golf Course Fees	44,235	11,000	33,235
Golf Course Membership Fees	31,025	32,000	(975)
Other Licenses, Fees and Permits	7,455	7,000	455
	<u>135,580</u>	<u>84,000</u>	<u>(975)</u>
Interest on Idle Funds	11,788	2,000	9,788
Gas Well Receipts	29,867	15,000	14,867
Rentals	-	5,500	(5,500)
Golf Cart Storage	11,700	12,000	(300)
Swimming Pool Receipts	14,947	16,000	(1,053)
Transfer from Electric Fund	100,000	100,000	-
Reimbursements	6,180	-	6,180
Miscellaneous	25,341	-	25,341
	<u>962,894</u>	<u>\$ 837,226</u>	<u>\$ 42,597</u>
Total Receipts			
Expenditures			
Administration			
Personal Services	96,268	83,300	12,968
Contractual Services	46,030	39,500	6,530
Commodities	20,581	5,500	15,081
Capital Outlay	-	8,000	(8,000)
	<u>162,879</u>	<u>136,300</u>	<u>26,579</u>

CITY OF LAKIN, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Expenditures			
Animal Control			
Personal Services	\$ 36,502	\$ 28,500	\$ 8,002
Contractual Services	4,465	8,000	(3,535)
Commodities	4,368	3,200	1,168
	<u>45,335</u>	<u>39,700</u>	<u>5,635</u>
Swimming Pool			
Personal Services	87,316	92,000	(4,684)
Contractual Services	37,896	70,000	(32,104)
Commodities	19,627	30,000	(10,373)
Capital Outlay	-	10,000	(10,000)
	<u>144,839</u>	<u>202,000</u>	<u>(57,161)</u>
Park Department			
Contractual Services	36,234	32,000	4,234
Commodities	6,023	13,000	(6,977)
Capital Outlay	-	3,000	(3,000)
	<u>42,257</u>	<u>48,000</u>	<u>(5,743)</u>
Golf Course			
Personal Services	24,954	58,000	(33,046)
Contractual Services	98,195	50,000	48,195
Commodities	21,846	38,500	(16,654)
Capital Outlay	-	5,600	(5,600)
Debt Service	16,946	13,984	2,962
	<u>161,941</u>	<u>166,084</u>	<u>(4,143)</u>
Street Department			
Personal Services	106,980	110,000	(3,020)
Contractual Services	64,471	110,650	(46,179)
Commodities	32,347	102,000	(69,653)
Capital Outlay	56,214	33,000	23,214
Debt Service	18,429	19,000	(571)
	<u>278,441</u>	<u>374,650</u>	<u>(96,209)</u>
Planning Commission			
Contractual Services	32,537	30,000	2,537
Commodities	40	-	40
	<u>32,577</u>	<u>30,000</u>	<u>2,577</u>
Tort Liability	-	6,000	(6,000)
Fire Department	810	-	810
Housing Authority	-	3,500	(3,500)
Gas Well Maintenance	19,139	35,000	(15,861)
Transfer to Capital Improvement Fund	170,000	170,000	-
Total Expenditures	<u>1,058,218</u>	<u>\$ 1,211,234</u>	<u>\$ (153,016)</u>
Receipts Over (Under) Expenditures	(95,324)		<u>\$ 149,996</u>
Unencumbered Cash - Beginning	<u>804,061</u>		
Unencumbered Cash - Ending	<u>\$ 708,737</u>		

CITY OF LAKIN, KANSAS
Employee Benefits
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Ad Valorem Property Tax	\$ 98,888	\$ 100,111	\$ (1,223)
Less: Neighborhood Revitalization Rebate	(680)	(422)	(258)
Delinquent Tax	2,656	618	2,038
Motor Vehicle Tax	<u>32,735</u>	<u>31,465</u>	<u>1,270</u>
Total Receipts	<u>133,599</u>	<u>\$ 131,772</u>	<u>\$ 1,827</u>
Expenditures			
Personal Services	136,970	210,000	(73,030)
Contractual Services	34	-	34
Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>137,004</u>	<u>\$ 210,000</u>	<u>(72,996)</u>
Receipts Over (Under) Expenditures	(3,405)		<u>\$ 74,823</u>
Unencumbered Cash - Beginning	<u>186,589</u>		
Unencumbered Cash - Ending	<u>\$ 183,184</u>		

CITY OF LAKIN, KANSAS
Special Highway
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
State of Kansas	\$ 58,356	\$ 56,580	\$ 1,776
Total Receipts	<u>58,356</u>	<u>\$ 56,580</u>	<u>\$ 1,776</u>
Expenditures			
Contractual Services	-	3,462	(3,462)
Principal Payments	64,711	64,711	-
Interest Payments	<u>2,330</u>	<u>2,330</u>	<u>-</u>
Total Expenditures	<u>67,041</u>	<u>\$ 70,503</u>	<u>(3,462)</u>
Receipts Over (Under) Expenditures	(8,685)		<u>\$ 5,238</u>
Unencumbered Cash - Beginning	<u>14,869</u>		
Unencumbered Cash - Ending	<u>\$ 6,184</u>		

CITY OF LAKIN, KANSAS
Special Parks and Recreation
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Liquor Tax	\$ 473	\$ 556	\$ (83)
Total Receipts	<u>473</u>	<u>\$ 556</u>	<u>\$ (83)</u>
Expenditures			
Capital Outlay	<u>-</u>	<u>9,366</u>	<u>(9,366)</u>
Total Expenditures	<u>-</u>	<u>\$ 9,366</u>	<u>(9,366)</u>
Receipts Over (Under) Expenditures	473		<u>\$ 9,283</u>
Unencumbered Cash - Beginning	<u>7,786</u>		
Unencumbered Cash - Ending	<u>\$ 8,259</u>		

CITY OF LAKIN, KANSAS
Industrial Levy
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Ad Valorem Property Tax	\$ 342	\$ 337	\$ 5
Delinquent Tax	10	2	8
Motor Vehicle Tax	<u>95</u>	<u>106</u>	<u>(11)</u>
Total Receipts	<u>447</u>	<u>\$ 445</u>	<u>\$ 2</u>
Expenditures			
Commodities	<u>-</u>	<u>18,500</u>	<u>(18,500)</u>
Total Expenditures	<u>-</u>	<u>\$ 18,500</u>	<u>(18,500)</u>
Receipts Over (Under) Expenditures	447		<u>\$ 18,502</u>
Unencumbered Cash - Beginning	<u>18,117</u>		
Unencumbered Cash - Ending	<u>\$ 18,564</u>		

CITY OF LAKIN, KANSAS
 Transient Guest Tax
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Transient Guest Tax	\$ 18,388	\$ 17,000	\$ 1,388
Total Receipts	<u>18,388</u>	<u>\$ 17,000</u>	<u>\$ 1,388</u>
Expenditures			
Contractual Service	<u>14,302</u>	<u>19,442</u>	<u>(5,140)</u>
Total Expenditures	<u>14,302</u>	<u>\$ 19,442</u>	<u>(5,140)</u>
Receipts Over (Under) Expenditures	4,086		<u>\$ 6,528</u>
Unencumbered Cash - Beginning	<u>7,326</u>		
Unencumbered Cash - Ending	<u>\$ 11,412</u>		

CITY OF LAKIN, KANSAS
Special Equipment
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
Transfer from General	\$ <u> -</u>
Total Receipts	<u> -</u>
Expenditures	
Capital Outlay	<u> -</u>
Total Expenditures	<u> -</u>
Receipts Over (Under) Expenditures	-
Unencumbered Cash - Beginning	<u> 17,204</u>
Unencumbered Cash - Ending	<u><u> \$ 17,204</u></u>

Schedule 2-8

CITY OF LAKIN, KANSAS
Capital Improvement
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
Transfer from General	\$ 170,000
Total Receipts	170,000
Expenditures	
Capital Outlay	-
Total Expenditures	-
Receipts Over (Under) Expenditures	170,000
Unencumbered Cash - Beginning	295,724
Unencumbered Cash - Ending	\$ 465,724

CITY OF LAKIN, KANSAS
Disaster Relief
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
Federal Aid	\$ 66,152
State Aid	<u>8,171</u>
Total Receipts	<u>74,323</u>
Expenditures	
Personal Services	22,928
Use of Equipment	<u>51,395</u>
Total Expenditures	<u>74,323</u>
Receipts Over (Under) Expenditures	-
Unencumbered Cash - Beginning	<u>-</u>
Unencumbered Cash - Ending	<u><u>\$ -</u></u>

CITY OF LAKIN, KANSAS
Electric Utility
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Customer Charges	\$ 2,327,660	\$ 2,150,000	\$ 177,660
Interest	8,737	2,000	6,737
Reimbursed Expenses	30,603	-	30,603
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>2,367,000</u>	<u>\$ 2,152,000</u>	<u>\$ 215,000</u>
Expenditures			
Adminstration			
Personal Services	47,351	80,000	(32,649)
Contractual Services	5,261	13,000	(7,739)
Commodities	753	5,500	(4,747)
Distribution			
Personal Services	140,341	154,200	(92,409)
Contractual Services	121,046	185,000	(63,954)
Commodities	59,610	91,500	(31,890)
Capital Outlay	14,230	177,000	(162,770)
Production			
Personal Services	61,791	103,000	(41,209)
Contractual Services	1,221,292	1,400,000	(178,708)
Commodities	6,790	65,500	(58,710)
Capital Outlay	57,412	200,000	(142,588)
Transfer to Electric Reserve Fund	100,000	100,000	-
Transfer to General Fund	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Expenditures	<u>1,935,877</u>	<u>\$ 2,674,700</u>	<u>(817,373)</u>
Receipts Over (Under) Expenditures	431,123		<u>\$ 1,032,373</u>
Unencumbered Cash - Beginning	<u>1,662,920</u>		
Unencumbered Cash - Ending	<u>\$ 2,094,043</u>		

CITY OF LAKIN, KANSAS
Water Utility
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Customer Charges	\$ 755,736	\$ 725,000	\$ 30,736
Interest	8,737	2,000	6,737
Reimbursement	2,299		
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>766,772</u>	<u>\$ 727,000</u>	<u>\$ 37,473</u>
Expenditures			
Administration			
Personal Services	9,512	87,000	(77,488)
Contractual Services	3,131	4,550	(1,419)
Commodities	725	2,000	(1,275)
Capital Outlay	-	2,000	(2,000)
Distribution			
Personal Services	90,574	153,000	(62,426)
Contractual Services	192,034	230,500	(38,466)
Commodities	91,966	125,000	(33,034)
Capital Outlay	7,115	22,500	(15,385)
Debt Service			
Principal Payments	-	25,773	(25,773)
Interest Payments	-	17,974	(17,974)
Transfer to Water Reserve	50,000	25,000	25,000
Transfer to UIC Abandonment Reserve Fund	10,000	10,000	
Transfer to Water Debt Service Fund	<u>226,278</u>	<u>182,531</u>	<u>43,747</u>
Total Expenditures	<u>681,335</u>	<u>\$ 887,828</u>	<u>(206,493)</u>
Receipts Over (Under) Expenditures	85,437		<u>\$ 243,966</u>
Unencumbered Cash - Beginning	<u>748,105</u>		
Unencumbered Cash - Ending	<u>\$ 833,542</u>		

CITY OF LAKIN, KANSAS
 Refuse Collection
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Customer Charges	\$ 179,463	\$ 135,000	\$ 44,463
Interest	8,737	500	8,237
Reimbursement	-	-	-
Miscellaneous	-	-	-
	<u>188,200</u>	<u>\$ 135,500</u>	<u>\$ 52,700</u>
Expenditures			
Administration			
Contractual Services	204	-	204
Commodities	512	-	512
Distribution			
Personal Services	61,991	62,700	(709)
Contractual Services	42,514	20,000	22,514
Commodities	25,618	35,000	(9,382)
Capital Outlay	-	40,000	(40,000)
Transfer to Refuse Reserve Fund	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total Expenditures	<u>140,839</u>	<u>\$ 167,700</u>	<u>(26,861)</u>
Receipts Over (Under) Expenditures	47,361		<u>\$ 79,561</u>
Unencumbered Cash - Beginning	<u>120,139</u>		
Unencumbered Cash - Ending	<u>\$ 167,500</u>		

CITY OF LAKIN, KANSAS
Sewage Disposal
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts			
Customer Charges	\$ 119,350	\$ 120,000	\$ (650)
Interest	8,737	1,000	7,737
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
 Total Receipts	 <u>128,087</u>	 <u>\$ 121,000</u>	 <u>\$ 7,087</u>
Expenditures			
Administration			
Contractual Services	781	-	781
Commodities	522	-	522
Distribution			
Personal Services	56,110	90,000	(33,890)
Contractual Services	91,699	80,000	11,699
Commodities	15,473	18,550	(3,077)
Capital Outlay	<u>4,777</u>	<u>15,500</u>	<u>(10,723)</u>
 Total Expenditures	 <u>169,362</u>	 <u>\$ 204,050</u>	 <u>(34,688)</u>
 Receipts Over (Under) Expenditures	 (41,275)		 <u>\$ 41,775</u>
 Unencumbered Cash - Beginning	 <u>188,279</u>		
 Unencumbered Cash - Ending	 <u>\$ 147,004</u>		

CITY OF LAKIN, KANSAS
Electric Reserve
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
Transfer from Electric Utility Fund	\$ 100,000
Total Receipts	<u>100,000</u>
Expenditures	
Capital Outlay	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over (Under) Expenditures	100,000
Unencumbered Cash - Beginning	<u>609,093</u>
Unencumbered Cash - Ending	<u><u>\$ 709,093</u></u>

CITY OF LAKIN, KANSAS
 USDA Water Bond Project
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2017

Receipts	
Transfer from USDA Water Grant Fund	\$ <u>50,023</u>
Total Receipts	<u>50,023</u>
Expenditures	
Transfer to Water Debt Service Fund	<u>414,769</u>
Total Expenditures	<u>414,769</u>
Receipts Over (Under) Expenditures	(364,746)
Unencumbered Cash - Beginning	<u>364,746</u>
Unencumbered Cash - Ending	<u><u>\$ -</u></u>

CITY OF LAKIN, KANSAS
USDA Water Grant
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
KDHE Loan Proceeds	\$ 14,805
	<u>14,805</u>
Total Receipts	<u>14,805</u>
Expenditures	
Transfer to USDA Water Bond Project Fund	<u>50,023</u>
	<u>50,023</u>
Total Expenditures	<u>50,023</u>
Receipts Over (Under) Expenditures	(35,218)
Unencumbered Cash - Beginning	<u>35,218</u>
Unencumbered Cash - Ending	<u><u>\$ -</u></u>

CITY OF LAKIN, KANSAS
 UIC Abandonment Reserve
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2017

Receipts	
Transfer from Water Utility Fund	\$ <u>10,000</u>
Total Receipts	<u>10,000</u>
Expenditures	
Contractual Services	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over (Under) Expenditures	10,000
Unencumbered Cash - Beginning	<u>40,000</u>
Unencumbered Cash - Ending	<u><u>\$ 50,000</u></u>

CITY OF LAKIN, KANSAS
Water Reserve
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
Transfer from Water Utility Fund	\$ <u>50,000</u>
Total Receipts	<u>50,000</u>
Expenditures	
Capital Outlay	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over (Under) Expenditures	50,000
Unencumbered Cash - Beginning	<u>75,000</u>
Unencumbered Cash - Ending	<u><u>\$ 125,000</u></u>

CITY OF LAKIN, KANSAS
 Water Debt Service
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2017

Receipts	
Transfer from USDA Funds	\$ 414,769
Transfer from Water Fund	<u>226,278</u>
 Total Receipts	 <u>641,047</u>
Expenditures	
<u>GO Bonds</u>	
Bond Principal	68,729
Bond Interest	113,803
<u>KDHE Loan</u>	
Loan Service Fees	1,794
Loan Principal	25,773
Loan Interest	<u>16,177</u>
 Total Expenditures	 <u>226,276</u>
 Receipts Over (Under) Expenditures	 414,771
 Unencumbered Cash - Beginning	 <u>18,752</u>
 Unencumbered Cash - Ending	 <u>\$ 433,523</u>

CITY OF LAKIN, KANSAS
Refuse Reserve
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

Receipts	
Transfer from Refuse Collection Utility Fund	\$ <u>10,000</u>
Total Receipts	<u>10,000</u>
Expenditures	
Capital Outlay	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over (Under) Expenditures	10,000
Unencumbered Cash - Beginning	<u>92,330</u>
Unencumbered Cash - Ending	<u><u>\$ 102,330</u></u>

CITY OF LAKIN, KANSAS
 Sewage Disposal Pump Deposit Reserve
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2017

Receipts	
Transfer from Other Funds	\$ <u> -</u>
Total Receipts	<u> -</u>
Expenditures	
Capital Outlay	<u> -</u>
Total Expenditures	<u> -</u>
Receipts Over (Under) Expenditures	-
Unencumbered Cash - Beginning	<u> 24,000</u>
Unencumbered Cash - Ending	<u><u> \$ 24,000</u></u>

CITY OF LAKIN, KANSAS
 Sewage Lagoon Expansion Project
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2017

Receipts	
Sewer Surcharge	\$ <u>80,364</u>
Total Receipts	<u>80,364</u>
Expenditures	
Contractual Services	-
Debt Service Fee	607
Debt Service Principal	51,344
Debt Service Interest	<u>6,090</u>
Total Expenditures	<u>58,041</u>
Receipts Over (Under) Expenditures	22,323
Unencumbered Cash - Beginning	<u>350,204</u>
Unencumbered Cash - Ending	<u><u>\$ 372,527</u></u>

CITY OF LAKIN, KANSAS
Lakin Housing Authority
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

	<u>O'Loughlin</u>	<u>Westridge</u>	<u>Total</u>
Receipts			
Rental Income	\$ 37,125	\$ 39,786	\$ 76,911
Rental Assistance	15,779	62,227	78,006
Laundry Income	780	1,291	2,071
Interest Income	67	187	254
Damages and Cleaning	25	453	478
Miscellaneous	<u>-</u>	<u>108</u>	<u>108</u>
Total Receipts	<u>53,776</u>	<u>104,052</u>	<u>157,828</u>
Expenditures			
Repairs and Maintenance	9,615	18,663	28,278
Furnishings	1,638	65,738	67,376
Management Fee	5,472	7,334	12,806
Education and Training	48	-	48
Utilities	5,609	5,871	11,480
Payroll and Payroll Taxes	4,231	5,971	10,202
Office Expense	121	654	775
Cleaning and Damages	150	-	150
Insurance	5,170	7,325	12,495
Advertising	-	195	195
Payment Overage	2,084	-	2,084
Debt Payment	<u>7,212</u>	<u>-</u>	<u>7,212</u>
Total Expenditures	<u>41,350</u>	<u>111,751</u>	<u>153,101</u>
Receipts Over (Under) Expenditures	12,426	(7,699)	4,727
Unencumbered Cash - Beginning	<u>56,842</u>	<u>198,398</u>	<u>255,240</u>
Unencumbered Cash - Ending	<u>\$ 69,268</u>	<u>\$ 190,699</u>	<u>\$ 259,967</u>

Schedule 4

CITY OF LAKIN, KANSAS
Agency Funds
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2017

	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Customer Deposits	\$ 41,460	\$ -	\$ 4,778	\$ 36,682
Total Agency Funds	<u>\$ 41,460</u>	<u>\$ -</u>	<u>\$ 4,778</u>	<u>\$ 36,682</u>