

**CITY OF LACROSSE, KANSAS**

Financial Statement With Independent Auditors' Report

For the Year Ended December 31, 2018

**CITY OF LACROSSE, KANSAS**  
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For the Year Ended December 31, 2018

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## INDEPENDENT AUDITORS' REPORT

To the Mayor and City Commission  
**City of LaCrosse, Kansas**  
LaCrosse, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of LaCrosse, Kansas**, as of and for the year ended December 31, 2018 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.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As described in Note 1, the financial statement is prepared by **City of LaCrosse, Kansas** on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of

accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matters discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **City of LaCrosse, Kansas** as of December 31, 2018, 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 **City of LaCrosse, Kansas** as of December 31, 2018, 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 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, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of **City of LaCrosse, Kansas** as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated June 6, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 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 2017 basic financial statement. The 2017 comparative information was 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 2017 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, 2017, on the basis of accounting described in Note 1.

*Adams, Brown, Beran & Ball, Chartered*

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

Certified Public Accountants

July 10, 2019

**CITY OF LACROSSE, KANSAS**  
Summary Statement of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2018

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>							
<b>General Fund</b>	\$ 378,983	-	741,238	679,055	<b>441,166</b>	10,686	<b>451,852</b>
<b>Special Purpose Funds</b>							
Trafficways Fund	19,731	-	33,903	29,093	<b>24,541</b>	2,621	<b>27,162</b>
Equipment Reserve Fund	229,711	-	40,000	44,437	<b>225,274</b>	-	<b>225,274</b>
Capital Improvement Reserve Fund	147,015	-	45,000	10,718	<b>181,297</b>	-	<b>181,297</b>
Capital Improvement Reserve - Streets Fund	108,327	-	142,794	137,911	<b>113,210</b>	-	<b>113,210</b>
Capital Street Reserve Fund	40,000	-	65,000	-	<b>105,000</b>	-	<b>105,000</b>
Special Parks Fund	501	-	770	-	<b>1,271</b>	-	<b>1,271</b>
<b>Business Funds</b>							
Sanitation Utility Fund	82,705	-	386,206	368,775	<b>100,136</b>	18,981	<b>119,117</b>
Sewer Utility Reserve Fund	404,221	-	25,000	24,006	<b>405,215</b>	-	<b>405,215</b>
Revenue Water Utility Fund	187,805	-	476,697	475,146	<b>189,356</b>	12,205	<b>201,561</b>
Water Depreciation Reserve Fund	319,489	-	167,794	12,771	<b>474,512</b>	-	<b>474,512</b>
Revenue Electric Utility Fund	237,140	-	1,382,014	1,368,594	<b>250,560</b>	106,330	<b>356,890</b>
Electric Depreciation Reserve Fund	742,096	-	100,000	61,986	<b>780,110</b>	-	<b>780,110</b>
<b>Trust Funds</b>							
Cemetery Trusts Fund	18,690	-	136	135	<b>18,691</b>	-	<b>18,691</b>
Customer Deposits Fund	-	-	10,850	10,850	-	35,621	<b>35,621</b>
<b>Total Reporting Entity</b>	<b>\$ 2,916,414</b>	<b>-</b>	<b>3,617,402</b>	<b>3,223,477</b>	<b>3,310,339</b>	<b>186,444</b>	<b>3,496,783</b>
<b>Composition of Cash</b>							
				Certificates of Deposits		\$	<b>3,257,000</b>
				Savings Accounts			<b>6,105</b>
				Checking Accounts			<b>259,105</b>
				Petty Cash			<b>4,000</b>
				Total Cash Per Reporting Entity			<b>3,526,210</b>
				Agency Fund per Schedule 3			<b>(29,427)</b>
				<b>Total Reporting Entity (Excluding Agency Funds)</b>		<b>\$</b>	<b>3,496,783</b>

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

## CITY OF LACROSSE, KANSAS

### Notes to Financial Statement

December 31, 2018

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

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

##### **Use of Estimates**

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

##### **Financial Reporting Entity**

The City is a municipal corporation governed by an elected three-member commission. A related municipal entity is an entity established to benefit the City and/or its constituents. The City has no related municipal entities.

##### **Basis of Presentation – Fund Accounting**

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2018.

##### **Regulatory Basis Fund Types**

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

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

**Business Fund** – fund financed in whole or in part by fees charged to users of the goods or services (enterprise and internal service funds).

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

**Agency Fund** – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (health reimbursement arrangement).

##### **Basis of Accounting**

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in

## **CITY OF LACROSSE, KANSAS**

### **Notes to Financial Statement**

December 31, 2018

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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.

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

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

#### **Property Tax Calendar**

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

#### **Restricted Assets**

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

#### **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 of accounting.

#### **NOTE 2 - BUDGETARY INFORMATION**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:



## CITY OF LACROSSE, KANSAS

### Notes to Financial Statement

December 31, 2018

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- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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, trust funds, and the following special purpose funds: Equipment Reserve Fund, Capital Improvement Reserve Fund, Capital Improvement Reserve – Streets Fund, and Capital Street Reserve Fund.

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

### NOTE 3 - DEPOSITS AND INVESTMENTS

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

K.S.A. 9-1401 establishes the depositories which may be used by the 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 LACROSSE, KANSAS

### Notes to Financial Statement

December 31, 2018

#### 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 K.S.A. 9-1405.

#### Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$3,526,210 and the bank balance was \$3,527,149. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$750,000 was covered by federal depository insurance and \$2,777,149 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

#### 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 at December 31, 2018.

### NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of LaCrosse, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2018 were as follows:

From	To	Statutory Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	\$ 40,000
General Fund	Capital Improvement Reserve Fund	K.S.A. 12-1,118	45,000
General Fund	Capital Improvement Reserve - Streets Fund	K.S.A. 12-1,118	142,794
General Fund	Capital Street Reserve Fund	K.S.A. 12-1,118	65,000
Revenue Electric Utility Fund	General Fund	K.S.A. 12-825d	50,000
Sanitation Utility Fund	Sewer Utility Reserve Fund	K.S.A. 12-825d	25,000
Revenue Water Utility Fund	Water Depreciation Reserve Fund	K.S.A. 12-825d	167,794
Revenue Electric Utility Fund	Electric Depreciation Reserve Fund	K.S.A. 12-825d	100,000

### NOTE 5 – LITIGATION

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

### NOTE 6 – RISK MANAGEMENT

**City of LaCrosse, Kansas** carries commercial insurance for risks of loss, including property, general liability, inland marine, automobile, umbrella, crime, workers' compensation, linebacker, cybersecurity, and surety bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

## **CITY OF LACROSSE, KANSAS**

### **Notes to Financial Statement**

**December 31, 2018**

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#### **NOTE 7 – GRANTS AND SHARED REVENUES**

**City of LaCrosse, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

#### **NOTE 8 – DEFERRED COMPENSATION PLAN**

**City of LaCrosse, Kansas** sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

#### **NOTE 9 - DEFINED BENEFIT PENSION PLAN**

##### **General Information about the Pension Plan**

###### **Plan Description**

**City of LaCrosse, Kansas** 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](http://www.kpers.org) or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

###### **Contributions**

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 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 for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$38,445 for the year ended December 31, 2018.

## CITY OF LACROSSE, KANSAS

### Notes to Financial Statement

December 31, 2018

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#### Net Pension Liability

At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$374,024. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in 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](http://www.kpers.org) or can be obtained as described above.

#### NOTE 10 - OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of LaCrosse, Kansas** 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 of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the 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. There is no cost to the City under this program.

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

#### NOTE 11 - COMPENSATED ABSENCES

##### Vacation

**City of LaCrosse, Kansas'** policy regarding vacation for full-time employees (non-police officers) is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-10	8 hours/month
11 and over	10 hours/month

The City's policy regarding vacation for full-time police officers is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-10	9 hours/month
11 and over	11 hours/month

Vacation is earned beginning with the date of employment but may not be taken until the employee completes six months of service. An employee who works fewer than 12 days in any month shall not accrue vacation for such month of service. This restriction of 12 days shall not apply where the employee

## **CITY OF LACROSSE, KANSAS**

### **Notes to Financial Statement**

**December 31, 2018**

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has worked fewer than 12 days due to authorized vacation or sick leave. The maximum accrual for vacation shall be no more than 120 hours for non-police officer employees. Accrued vacation is paid to the employee at the current regular rate in the event of termination. The potential liability for vacation at December 31, 2018 was \$15,972. This is not reflected in the financial statement.

#### **Sick Leave**

The City's policy for sick leave permits a full-time employee to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 720 hours. 15% of accrued sick leave is paid to the employee in the event of employment of at least 10 years and they retire. If an employee leaves or is terminated, they will not be paid out accrued sick leave. The potential liability for sick leave at December 31, 2018 was \$63,901. This is not reflected in the financial statement.

#### **NOTE 12 – HEALTH REIMBURSEMENT ARRANGEMENT**

**City of LaCrosse, Kansas** entered into a Health Reimbursement Arrangement (HRA). The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employees, their spouse or their dependents. The maximum allowance per year is \$6,250 for employee only, \$10,000 for employee and spouse, employee and children, and employee and family. The amount the City paid in HRA reimbursements was \$29,065 for the year ended December 31, 2018.

#### **NOTE 13 – DEBT RESTRICTIONS AND COVENANTS**

##### **KDHE Wastewater Treatment Loan**

**City of LaCrosse, Kansas** entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the wastewater treatment plant in the amount of \$2,305,600. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2018 as it is providing dedicated funds through wastewater fees.

#### **NOTE 14 – LONG-TERM DEBT**

**City of LaCrosse, Kansas** has the following type of long-term debt.

##### **KDHE Revolving Loan**

The City entered into a \$2,305,600 revolving loan agreement on August 31, 2010 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas under the public water supply revolving loan program to fund costs of acquiring, constructing, improving, repairing, rehabilitating or extending municipal wastewater treatment projects.

**CITY OF LACROSSE, KANSAS**  
Notes to Financial Statement  
December 31, 2018

Changes in long-term liabilities for the City for the year ended December 31, 2018, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>KDHE Loan</b>									
Kansas Water Pollution Control Revolving Loan	2.59%	8/31/2010	\$ 2,305,600	3/1/2032	\$ 1,053,872	-	(61,826)	992,046	21,704

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

		YEAR							
		2019	2020	2021	2022	2023	2024-2028	2029-2032	Total
Principal									
Kansas Water Pollution Revolving Loan	\$	63,282	64,771	66,296	67,856	69,453	372,569	287,819	992,046
Interest									
Kansas Water Pollution Revolving Loan		22,846	21,357	19,832	18,271	14,893	51,864	12,171	161,234
Total Principal and Interest	\$	86,128	86,128	86,128	86,127	84,346	424,433	299,990	1,153,280

**CITY OF LACROSSE, KANSAS**

Regulatory-Required Supplementary Information

**CITY OF LACROSSE, KANSAS**  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2018

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Type Funds</b>					
<b>General Fund</b>	\$ 947,335	-	947,335	<b>679,055</b>	(268,280)
<b>Special Purpose Funds</b>					
Trafficways	54,961	-	54,961	<b>29,093</b>	(25,868)
Special Parks	57	-	57	-	(57)
<b>Business Funds</b>					
Sanitation Utility	559,136	-	559,136	<b>368,775</b>	(190,361)
Revenue Water Utility	522,450	-	522,450	<b>475,146</b>	(47,304)
Revenue Electric Utility	1,622,674	-	1,622,674	<b>1,368,594</b>	(254,080)



## CITY OF LACROSSE, KANSAS

## General Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
<b>Taxes</b>				
Ad Valorem Tax	\$ 351,565	<b>328,079</b>	316,854	11,225
Intangible Tax	14,629	<b>13,958</b>	8,471	5,487
Vehicle Tax	66,414	<b>68,761</b>	65,038	3,723
Local Sales Tax	131,841	<b>142,794</b>	160,000	(17,206)
<b>Total Taxes</b>	<u>564,449</u>	<u><b>553,592</b></u>	<u>550,363</u>	<u>3,229</u>
<b>Intergovernmental</b>				
Local Alcoholic Liquor Tax	<u>482</u>	<u><b>770</b></u>	<u>19</u>	<u>751</u>
<b>Licenses and Permits</b>				
Franchise Fees	39,352	<b>40,818</b>	35,000	5,818
Liquor and Beer Licenses	1,100	<b>350</b>	500	(150)
Permits and Inspections	1,085	<b>890</b>	500	390
Dog Tags and Fees	<u>356</u>	<u><b>500</b></u>	<u>200</u>	<u>300</u>
<b>Total Licenses and Permits</b>	<u>41,893</u>	<u><b>42,558</b></u>	<u>36,200</u>	<u>6,358</u>
<b>Charges for Services</b>				
Sale of Cemetery Lots	<u>12,805</u>	<u><b>9,705</b></u>	<u>5,000</u>	<u>4,705</u>
<b>Fines and Forfeitures</b>				
Fines and Fees	<u>2,686</u>	<u><b>3,583</b></u>	<u>500</u>	<u>3,083</u>
<b>Use of Money and Property</b>				
Swimming Pool	6,361	<b>6,846</b>	5,000	1,846
Community Building	5,229	<b>4,900</b>	4,200	700
Interest on Idle Funds	19,210	<b>41,172</b>	1,500	39,672
Miscellaneous	65,504	<b>28,112</b>	-	28,112
Transfers In	<u>135,000</u>	<u><b>50,000</b></u>	<u>140,000</u>	<u>(90,000)</u>
<b>Total Use of Money and Property</b>	<u>231,304</u>	<u><b>131,030</b></u>	<u>150,700</u>	<u>(19,670)</u>
<b>Total Receipts</b>	<u>\$ 853,619</u>	<u><b>741,238</b></u>	<u>742,782</u>	<u>(1,544)</u>

## CITY OF LACROSSE, KANSAS

## General Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures</b>				
<b>General Government</b>				
Salaries	\$ 83,801	<b>88,734</b>	108,160	(19,426)
Office Supplies	3,122	<b>2,801</b>	3,000	(199)
Telephone	8,611	<b>3,113</b>	4,500	(1,387)
Insurance	24,852	<b>26,314</b>	25,000	1,314
Legal Publication	530	<b>1,396</b>	1,100	296
Dogs	539	<b>453</b>	900	(447)
Auto	1,009	<b>1,239</b>	3,000	(1,761)
Repairs	758	<b>960</b>	2,000	(1,040)
Miscellaneous	26,328	<b>14,979</b>	16,700	(1,721)
Accounting and Legal	14,555	<b>15,125</b>	19,000	(3,875)
Risk Management	-	-	2,500	(2,500)
Industrial Development	4,223	<b>2,094</b>	1,000	1,094
Demolition	2,317	<b>10,285</b>	8,000	2,285
<b>Total General Government</b>	<u>170,645</u>	<u><b>167,493</b></u>	<u>194,860</u>	<u>(27,367)</u>
<b>Police Department</b>				
Dispatcher	<u>170,000</u>	<u><b>2,341</b></u>	<u>100,000</u>	<u>(97,659)</u>
<b>Street Department</b>				
Salaries	16,300	<b>15,762</b>	16,250	(488)
Insurance	3,209	<b>3,190</b>	4,000	(810)
Gas and Oil	2,125	<b>2,734</b>	7,500	(4,766)
Truck and Car Maintenance	1,303	<b>4,814</b>	5,000	(186)
Tractor Maintenance	5,189	<b>5,070</b>	3,500	1,570
Sweeper Maintenance	4,690	<b>647</b>	2,000	(1,353)
Shop Expense	4,594	<b>4,562</b>	7,500	(2,938)
Supplies	8,068	<b>3,685</b>	7,500	(3,815)
Miscellaneous	302	<b>2,568</b>	40,065	(37,497)
<b>Total Street Department</b>	<u>45,780</u>	<u><b>43,032</b></u>	<u>93,315</u>	<u>(50,283)</u>
<b>Community Building</b>				
Insurance	5,714	<b>5,886</b>	7,000	(1,114)
Supplies	4,792	<b>3,968</b>	8,500	(4,532)
Telephone and Utilities	4,704	<b>4,935</b>	6,000	(1,065)
<b>Total Community Building</b>	<u>\$ 15,210</u>	<u><b>14,789</b></u>	<u>21,500</u>	<u>(6,711)</u>

## CITY OF LACROSSE, KANSAS

## General Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Park Department</b>				
Salaries	\$ 4,955	5,520	4,900	620
Gas and Oil	753	488	1,500	(1,012)
Supplies	9,767	5,372	3,000	2,372
Mower Maintenance	975	1,062	1,850	(788)
Miscellaneous	2,958	696	750	(54)
<b>Total Park Department</b>	<u>19,408</u>	<u>13,138</u>	<u>12,000</u>	<u>1,138</u>
<b>Cemetery Department</b>				
Salaries	4,716	7,469	9,360	(1,891)
Gas and Oil	1,645	1,325	3,000	(1,675)
Supplies	656	1,437	2,000	(563)
<b>Total Cemetery Department</b>	<u>7,017</u>	<u>10,231</u>	<u>14,360</u>	<u>(4,129)</u>
<b>Swimming Pool</b>				
Salaries	22,611	23,360	24,300	(940)
Insurance	1,994	2,054	3,000	(946)
Repairs	1,312	2,638	5,000	(2,362)
Supplies	1,356	2,116	3,500	(1,384)
Telephone and Utilities	218	201	500	(299)
<b>Total Swimming Pool</b>	<u>27,491</u>	<u>30,369</u>	<u>36,300</u>	<u>(5,931)</u>
<b>Employee Benefits</b>				
Health Insurance	8,214	9,330	45,000	(35,670)
Social Security	38,344	38,551	42,000	(3,449)
KPERS	41,208	43,086	53,000	(9,914)
Unemployment Insurance	377	502	1,000	(498)
Workers' Compensation	11,684	13,399	24,000	(10,601)
<b>Total Employee Benefits</b>	<u>99,827</u>	<u>104,868</u>	<u>165,000</u>	<u>(60,132)</u>
<b>Transfers Out</b>	<u>256,841</u>	<u>292,794</u>	<u>310,000</u>	<u>(17,206)</u>
<b>Total Expenditures</b>	<u>812,219</u>	<u>679,055</u>	<u>947,335</u>	<u>(268,280)</u>
<b>Receipts Over (Under) Expenditures</b>	<u>41,400</u>	<u>62,183</u>		
<b>Unencumbered Cash - Beginning</b>	<u>337,583</u>	<u>378,983</u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 378,983</u>	<u>441,166</u>		

**CITY OF LACROSSE, KANSAS**  
**Trafficways Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Intergovernmental				
State Gasoline Tax	\$ 33,225	<b>33,903</b>	34,360	(457)
<b>Expenditures</b>				
Salaries	24,966	<b>25,261</b>	28,125	(2,864)
Supplies	3,747	<b>1,292</b>	8,000	(6,708)
Road Oil, Sand and Asphalt	3,682	<b>2,540</b>	18,836	(16,296)
<b>Total Expenditures</b>	32,395	<b>29,093</b>	54,961	(25,868)
<b>Receipts Over (Under) Expenditures</b>	830	<b>4,810</b>		
<b>Unencumbered Cash - Beginning</b>	18,901	<b>19,731</b>		
<b>Unencumbered Cash - Ending</b>	\$ 19,731	<b>24,541</b>		

**CITY OF LACROSSE, KANSAS**  
**Equipment Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 40,000	<b>40,000</b>
<b>Expenditures</b>		
Capital Outlay	2,257	<b>44,437</b>
<b>Receipts Over (Under) Expenditures</b>	37,743	<b>(4,437)</b>
<b>Unencumbered Cash - Beginning</b>	191,968	<b>229,711</b>
<b>Unencumbered Cash - Ending</b>	\$ 229,711	<b>225,274</b>

**CITY OF LACROSSE, KANSAS**  
**Capital Improvement Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 48,194	<b>45,000</b>
<b>Expenditures</b>		
Capital Outlay	52,759	<b>10,718</b>
<b>Receipts Over (Under) Expenditures</b>	(4,565)	<b>34,282</b>
<b>Unencumbered Cash - Beginning</b>	151,580	<b>147,015</b>
<b>Unencumbered Cash - Ending</b>	\$ 147,015	<b>181,297</b>

**CITY OF LACROSSE, KANSAS**  
**Capital Improvement Reserve - Streets Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 131,841	<b>142,794</b>
<b>Expenditures</b>		
Capital Outlay	160,180	<b>137,911</b>
<b>Receipts Over (Under) Expenditures</b>	(28,339)	<b>4,883</b>
<b>Unencumbered Cash - Beginning</b>	136,666	<b>108,327</b>
<b>Unencumbered Cash - Ending</b>	\$ 108,327	<b>113,210</b>

**CITY OF LACROSSE, KANSAS**  
**Capital Street Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 40,000	65,000
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	40,000	65,000
<b>Unencumbered Cash - Beginning</b>	-	40,000
<b>Unencumbered Cash - Ending</b>	\$ 40,000	105,000



**CITY OF LACROSSE, KANSAS**  
**Special Parks Fund**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Over (Under)
<b>Receipts</b>				
Intergovernmental				
Local Alcoholic Liquor Tax	\$ 482	770	19	751
<b>Expenditures</b>				
Commodities	-	-	57	(57)
<b>Receipts Over (Under) Expenditures</b>	482	770		
<b>Unencumbered Cash - Beginning</b>	19	501		
<b>Unencumbered Cash - Ending</b>	\$ 501	1,271		

**CITY OF LACROSSE, KANSAS**  
**Sanitation Utility Fund**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
<b>Receipts</b>				
Charges for Services				
Sewer Service	\$ 211,736	<b>209,461</b>	225,000	(15,539)
Trash Service	171,871	<b>175,801</b>	180,000	(4,199)
Landfill	1,259	<b>939</b>	-	939
Miscellaneous	968	<b>5</b>	-	5
Transfers In	-	-	100,000	(100,000)
<b>Total Receipts</b>	<u>385,834</u>	<u><b>386,206</b></u>	<u>505,000</u>	<u>(118,794)</u>
<b>Expenditures</b>				
Salaries	73,551	<b>62,049</b>	97,344	(35,295)
Medical Insurance	13,318	<b>13,653</b>	15,700	(2,047)
Disposal Plant Expense	4,173	<b>2,822</b>	4,000	(1,178)
Insurance	1,713	<b>1,764</b>	5,000	(3,236)
Gas and Oil	597	<b>516</b>	500	16
Office Expense	3,003	<b>1,681</b>	1,500	181
Sewer Repairs and Supplies	5,680	<b>1,568</b>	8,000	(6,432)
Trash Service	2,020	<b>2,020</b>	3,000	(980)
Contracted Service	166,527	<b>171,050</b>	180,000	(8,950)
Miscellaneous	1,234	<b>525</b>	1,000	(475)
Capital Improvements	-	-	31,964	(31,964)
Debt Payment	86,127	<b>86,127</b>	186,128	(100,001)
Transfers Out	25,000	<b>25,000</b>	25,000	-
<b>Total Expenditures</b>	<u>382,943</u>	<u><b>368,775</b></u>	<u>559,136</u>	<u>(190,361)</u>
<b>Receipts Over (Under) Expenditures</b>	2,891	<b>17,431</b>		
<b>Unencumbered Cash - Beginning</b>	<u>79,814</u>	<u><b>82,705</b></u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 82,705</u>	<u><b>100,136</b></u>		

**CITY OF LACROSSE, KANSAS**  
**Sewer Utility Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 25,000	<b>25,000</b>
<b>Expenditures</b>		
Capital Outlay	5,243	<b>24,006</b>
<b>Receipts Over (Under) Expenditures</b>	19,757	<b>994</b>
<b>Unencumbered Cash - Beginning</b>	384,464	<b>404,221</b>
<b>Unencumbered Cash - Ending</b>	\$ 404,221	<b>405,215</b>

## CITY OF LACROSSE, KANSAS

## Revenue Water Utility Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
<b>Receipts</b>				
<b>Charges for Services</b>				
Sales to Consumers	\$ 314,353	311,748	345,000	(33,252)
Water Fee for State Water Project	1,286	1,251	1,500	(249)
Service Charges	1,120	1,279	1,000	279
Local Sales Tax	131,841	142,972	160,000	(17,028)
Miscellaneous	6,043	19,447	-	19,447
<b>Total Receipts</b>	454,643	476,697	507,500	(30,803)
<b>Expenditures</b>				
<b>Administration</b>				
Office Supplies	5,198	4,279	4,000	279
Water Fee for State Water Project	2,498	2,387	4,500	(2,113)
Miscellaneous	815	1,018	750	268
<b>Total Administration</b>	8,511	7,684	9,250	(1,566)
<b>Production Department</b>				
Salaries	84,726	55,503	85,000	(29,497)
Medical Insurance	26,404	28,781	21,000	7,781
Insurance	7,248	7,425	7,500	(75)
Gas and oil	768	956	3,000	(2,044)
Repairs	14,475	18,167	15,000	3,167
Supplies	2,128	14,214	3,000	11,214
Chemicals	72,341	86,771	80,000	6,771
Walnut Wells Utilities	10,487	9,879	12,000	(2,121)
Miscellaneous	2,172	1,906	2,000	(94)
<b>Total Production Department</b>	220,749	223,602	228,500	(4,898)
<b>Distribution Department</b>				
Salaries	19,194	26,364	38,000	(11,636)
Medical Insurance	25,825	22,677	41,800	(19,123)
Insurance	3,094	4,169	6,000	(1,831)
Gas and Oil	1,716	2,019	5,000	(2,981)
Truck and Car Maintenance	2,418	1,140	1,100	40
Shop Expense	1,342	1,708	1,500	208
Supplies	6,020	5,026	4,000	1,026
Meters and Supplies	24,172	12,543	25,000	(12,457)
Water Tower	-	-	1,000	(1,000)
Miscellaneous	1,315	420	1,300	(880)
<b>Total Distribution Department</b>	\$ 85,096	76,066	124,700	(48,634)

**CITY OF LACROSSE, KANSAS****Revenue Water Utility Fund**

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures (continued)</b>				
Transfers Out	\$ 131,841	<b>167,794</b>	160,000	7,794
<b>Total Expenditures</b>	446,197	<b>475,146</b>	<u>522,450</u>	<u>(47,304)</u>
<b>Receipts Over (Under) Expenditures</b>	8,446	<b>1,551</b>		
<b>Unencumbered Cash - Beginning</b>	179,359	<b>187,805</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>187,805</u>	<u><b>189,356</b></u>		

**CITY OF LACROSSE, KANSAS**  
**Water Depreciation Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 131,841	<b>167,794</b>
<b>Expenditures</b>		
Capital Outlay	192,979	<b>12,771</b>
<b>Receipts Over (Under) Expenditures</b>	(61,138)	<b>155,023</b>
<b>Unencumbered Cash - Beginning</b>	380,627	<b>319,489</b>
<b>Unencumbered Cash - Ending</b>	\$ 319,489	<b>474,512</b>

## CITY OF LACROSSE, KANSAS

## Revenue Electric Utility Fund

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended December 31, 2018

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

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Under
<b>Receipts</b>				
<b>Charges for Services</b>				
Sales to Customers	\$ 1,267,606	1,352,614	1,450,000	(97,386)
Service Charges	1,280	1,390	1,500	(110)
Miscellaneous	49,117	28,010	12,000	16,010
<b>Total Receipts</b>	1,318,003	1,382,014	1,463,500	(81,486)
<b>Expenditures</b>				
<b>Administration</b>				
Salaries	54,405	56,812	52,000	4,812
Medical Insurance	106	109	1,000	(891)
Office Supplies	6,733	6,122	5,500	622
Sales Tax	41,252	41,854	42,500	(646)
Miscellaneous	4,803	5,976	10,000	(4,024)
<b>Total Administration</b>	107,299	110,873	111,000	(127)
<b>Production Department</b>				
Salaries	50,524	51,649	52,500	(851)
Medical Insurance	18,094	20,142	19,000	1,142
Insurance	30,177	31,249	35,000	(3,751)
Gas and Oil	29,402	25,343	25,000	343
Repairs	7,474	8,771	15,000	(6,229)
Supplies	4,139	2,648	40,000	(37,352)
Purchase of Energy	747,227	753,845	850,000	(96,155)
Chemical	2,055	1,873	3,500	(1,627)
Miscellaneous	407	651	2,000	(1,349)
<b>Total Production Department</b>	889,499	896,171	1,042,000	(145,829)
<b>Distribution Department</b>				
Salaries	99,381	102,973	104,000	(1,027)
Medical Insurance	17,580	19,604	23,000	(3,396)
Insurance	5,007	5,041	6,000	(959)
Gas and Oil	2,495	2,560	4,000	(1,440)
Repair and Maintenance	912	991	1,500	(509)
Vehicle Expense	4,631	8,187	15,000	(6,813)
Wire, Poles, Transformers, Meters	68,921	69,078	70,000	(922)
Shop	1,293	1,626	2,200	(574)
Miscellaneous	1,248	1,490	3,974	(2,484)
<b>Total Distribution Department</b>	\$ 201,468	211,550	229,674	(18,124)

**CITY OF LACROSSE, KANSAS****Revenue Electric Utility Fund**

## Schedule of Receipts and Expenditures - Actual and Budget

## Regulatory Basis

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Expenditures (continued)</b>				
Transfers Out	\$ 208,194	<b>150,000</b>	240,000	(90,000)
<b>Total Expenditures</b>	1,406,460	<b>1,368,594</b>	<u>1,622,674</u>	<u>(254,080)</u>
<b>Receipts Over (Under) Expenditures</b>	(88,457)	<b>13,420</b>		
<b>Unencumbered Cash - Beginning</b>	325,597	<b>237,140</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>237,140</u>	<u><b>250,560</b></u>		



**CITY OF LACROSSE, KANSAS**  
**Electric Depreciation Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 70,000	<b>100,000</b>
<b>Expenditures</b>		
Capital Outlay	182,063	<b>61,986</b>
<b>Receipts Over (Under) Expenditures</b>	(112,063)	<b>38,014</b>
<b>Unencumbered Cash - Beginning</b>	854,159	<b>742,096</b>
<b>Unencumbered Cash - Ending</b>	\$ 742,096	<b>780,110</b>

**CITY OF LACROSSE, KANSAS**  
**Cemetery Trusts Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Interest From Trust Funds	\$ 73	136
<b>Expenditures</b>		
Miscellaneous	1,605	135
<b>Receipts Over (Under) Expenditures</b>	(1,532)	1
<b>Unencumbered Cash - Beginning</b>	20,222	18,690
<b>Unencumbered Cash - Ending</b>	\$ 18,690	18,691

**CITY OF LACROSSE, KANSAS**  
**Customer Deposits Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Utility Deposits	\$ 10,575	<b>10,850</b>
<b>Expenditures</b>		
Utility Deposit Refunds	10,575	<b>10,850</b>
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

**CITY OF LACROSSE, KANSAS**  
**Agency Funds**  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2018

<u>Funds</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Health Reimbursement Arrangement	\$ 19,701	38,791	29,065	<b>29,427</b>