

**CITY OF ELLSWORTH, KANSAS**

FINANCIAL STATEMENT  
WITH  
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2018  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**CITY OF ELLSWORTH, KANSAS**

**FINANCIAL STATEMENT  
WITH  
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## Independent Auditor's Report

To the Mayor and City Council  
Ellsworth, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Ellsworth, 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 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that 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 2 of the financial statement, the financial statement is prepared by the City of Ellsworth to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 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 of Ellsworth, 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*

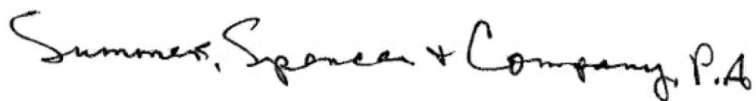
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Ellsworth, as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

### *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 schedule of receipts and expenditures – related municipal entity (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Ellsworth, Kansas as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated January 28, 2019, 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://www.admin.ks.gov/offices/chieffinancial-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 2.

A handwritten signature in cursive script that reads "Summers, Spencer & Company, P.A.".

Summers, Spencer & Company, P.A.  
Salina, Kansas

September 18, 2019

**CITY OF ELLSWORTH, KANSAS**

**Statement 1**

**Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)  
For the Year Ended December 31, 2018**

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Current Year Ending Cash Balance
General Fund:							
General	\$ 457,740	\$ -	\$ 2,470,447	\$ 2,370,102	\$ 558,085	\$ 23,068	\$ 581,153
Special Purpose Funds:							
Library	68,770	-	164,332	142,316	90,786	-	90,786
Special Highway	46,532	-	85,620	101,274	30,878	359	31,237
Special Parks and Recreation	2,155	-	4,539	4,668	2,026	73	2,099
Tourism and Convention	13,160	-	18,598	13,150	18,608	-	18,608
Fire and Police Equipment	20,974	-	65,174	52,986	33,162	-	33,162
Capital Improvement	192,248	-	507,476	374,405	325,319	7,570	332,889
Municipal Equipment	71,020	-	158,790	102,320	127,490	3,586	131,076
2011 G.O. Bond Compliance	-	-	-	-	-	-	-
SO TIF 2011 Revenue	750,484	-	198,116	44,209	904,391	-	904,391
SO TIF 2011 Debt Service	40,120	-	44,406	84,526	-	-	-
2017 Temp Note Cost of Issuance	6,589	-	-	-	6,589	-	6,589
2017 Temp Note Debt Service	9,713	-	34,205	-	43,918	-	43,918
2018 Temp Note Cost of Issuance	-	-	11,200	9,700	1,500	-	1,500
2018 Temp Note Debt Service	-	-	246	-	246	-	246
Bond and Interest Fund:							
Bond and Interest	312,721	-	572,245	465,398	419,568	2	419,570
Capital Project Fund:							
2017 Temp Note Improvement	2,240,284	-	-	577,974	1,662,310	95,209	1,757,519
2018 Temp Note Improvement	-	-	148,800	104,000	44,800	15,000	59,800

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

**CITY OF ELLSWORTH, KANSAS**

**Statement 1**

**Summary Statement of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)  
For the Year Ended December 31, 2018**

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Current Year Ending Cash Balance
Business Funds:							
Water and Sewer Utility	\$ 230,607	\$ -	\$ 1,448,746	\$ 1,488,249	\$ 191,104	\$ 57,868	\$ 248,972
Water and Sewer Emergency							
Depreciation	43,236	-	51,108	-	94,344	-	94,344
Water and Sewer Improvement	142,967	-	152,751	93,881	201,837	-	201,837
Solid Waste	8,242	-	156,489	157,592	7,139	12,080	19,219
Recreation and Pool	31,449	-	180,599	183,477	28,571	1,221	29,792
Subtotal	<u>4,689,011</u>	<u>-</u>	<u>6,473,887</u>	<u>6,370,227</u>	<u>4,792,671</u>	<u>216,036</u>	<u>5,008,707</u>
Related Municipal Entity:							
J. H. Robbins Memorial Library	<u>263,714</u>	<u>-</u>	<u>160,650</u>	<u>145,322</u>	<u>279,042</u>	<u>-</u>	<u>279,042</u>
Total Reporting Entity	<u>\$ 4,952,725</u>	<u>\$ -</u>	<u>\$ 6,634,537</u>	<u>\$ 6,515,549</u>	<u>\$ 5,071,713</u>	<u>\$ 216,036</u>	<u>\$ 5,287,749</u>
Composition of Cash:							
			Checking Accounts				\$ 300,795
			Certificates of Deposits				4,707,912
			Related Municipal Entity Investments				24,914
			Related Municipal Entity Checking and Savings Accounts				169,058
			Related Municipal Entity Certificates of Deposits				<u>85,070</u>
			Total Reporting Entity				<u>\$ 5,287,749</u>

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

## CITY OF ELLSWORTH, KANSAS

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended December 31, 2018

#### Note 1 – Reporting Entity

The City of Ellsworth is a municipal corporation governed by a citizen - elected mayor and five elected council members. The financial statement presents the City of Ellsworth (the municipality) and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the city and/or its constituents.

J.H. Robbins Memorial Library. The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issues must also be approved by the City and the City annually levies a tax for the library.

#### Note 2 – Summary of Significant Account Policies

*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.

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

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 Projects and tax levies for long-term debt) that are intended for specified purposes.

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

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



**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

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.).

**Note 3 – 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 a least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The Solid Waste Fund budget was amended during 2018.

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

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 and the following special purpose funds:

2018 Temp Note Cost of Issuance Fund

2018 Temp Note Debt Service 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.

## CITY OF ELLSWORTH, KANSAS

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended December 31, 2018

#### **Note 4 – 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 deposits 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.

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

At December 31, 2018, the City's carrying amount of deposits was \$5,287,749 and the bank balance was \$5,299,331. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$508,184 was covered by federal depository insurance and the remaining \$4,791,147 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 counterpart, 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 requires investments to be adequately secured.

The J.H. Robbins Memorial Library's investment fund is held by the Greater Salina Community Foundation. Distributions from the Foundation to the library may be disbursed in a manner consistent with the Foundation's policies and procedures. The library gave variance power over the transferred assets to the Foundation which allows the Foundation to exercise ultimate authority and control over the assets. The assets are reported at fair market value at December 31, 2018 in the amount of \$24,914 as determined by the Greater Salina Community Foundation.

**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

**Note 5 – Capital Projects**

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

	Expenditures to Date	Project Authorization
Water and Sewer Infrastructure Projects	\$ 794,170	\$ 2,500,000
Stormwater Drainage Improvements	104,000	665,000

**Note 6 – Operating Transfers**

Operating Transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	\$ 98,500
General Fund	Municipal Equipment Fund	K.S.A. 12-1,117	53,000
General Fund	Recreation and Pool Fund	K.S.A. 12-1,117	120,000
Special Highway Fund	Capital Improvement Fund	K.S.A. 12-1,118	15,000
Special Highway Fund	Municipal Equipment Fund	K.S.A. 12-1,117	15,000
Water and Sewer Utility Fund	General Fund	K.S.A. 12-825d	96,000
Water and Sewer Utility Fund	Capital Improvement Fund	K.S.A. 12-1,118	90,000
Water and Sewer Utility Fund	Municipal Equipment Fund	K.S.A. 12-1,117	70,000
Water and Sewer Utility Fund	Water and Sewer Improvement Fund	K.S.A. 12-825d	150,000
Water and Sewer Utility Fund	Water and Sewer Emergency Depreciation Fund	K.S.A. 12-825d	50,000
Water and Sewer Utility Fund	Bond and Interest Fund	K.S.A. 12-825d	160,000
Recreation and Pool Fund	Capital Improvement Fund	K.S.A. 12-1,118	10,000
Recreation and Pool Fund	Municipal Equipment Fund	K.S.A. 12-1,117	2,000
SO TIF 2011 Revenue Fund	SO TIF 2011 Debt Service	K.S.A. 12-6a16	44,209

**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](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

## CITY OF ELLSWORTH, KANSAS

### NOTES TO THE FINANCIAL STATEMENT For the Year Ended December 31, 2018

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 statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$86,023 for the year ended December 31, 2018.

#### Net Pension Liability

At December 31, 2018, the City of Ellsworth's proportionate share of the collective net pension liability reported by KPERS was \$823,780. 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 of Ellsworth's proportion of the net pension liability was based on the ratio of the City of Ellsworth's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

#### **Note 8 – 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 as 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.

*Death and Disability Other Post-Employment Benefits.* 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.

**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

**Note 9 – Compensated Absences**

The City provides compensation for absences. Full-time employees are entitled to paid vacation leave time according to the following schedule:

Years of Continued Employment	Vacation Days Earned per Year	Maximum Hours Accumulation	Equivalent Work Days	Maximum Hours For One Time Leave
0 to 5	10 days	240 hours	10 days	80 hours
5 to 10	12 days	240 hours	12 days	96 hours
10 to 15	15 days	240 hours	15 days	120 hours
Over 15	18 days	240 hours	18 days	144 hours

Upon termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay if they give at least a two week notice, up to the maximum 240 hours accumulation. Full-time employees are entitled to sick leave, and are earned based on the amount of hours they work. An employee should accrue 96 hours of sick leave for every year they work. An employee shall not be paid for any unused sick leave upon termination of their employment with the City.

**Note 10 – Risk Management**

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance to protect themselves from these risks.

**Note 11 – Conduit Debt**

The City has entered into conduit debt arrangements wherein the City issues industrial revenue bonds to finance a portion of the construction or improvement of facilities by a private enterprise. In return, the private enterprise has executed mortgage notes or a lease with the City. The City is under no obligation for payment of the original bonds, but rather the debt is secured only by the cash payments agreed to be paid by the private enterprises under the terms of the mortgage or lease agreements. Generally, the conduit debt is arranged so that payments required by the private enterprise are equal to the mortgage payments schedule related to the original debt. In the agreement, a trustee has been designated pursuant to the terms of a Trust Indenture between the Issuer (the City) and the Trustee. Under the Indenture, the Trustee is authorized, empowered, and directed to perform the duties of the Issuer (the City) as lessor under the lease, including the collection of rentals for disbursement to the owner(s) of the Bond as provided in the Bond Indenture, and to perform, insofar as it legally can, all acts otherwise required of the Issuer (the City) under the lease. The aggregate amount of all outstanding conduit debt obligations as of December 31, 2018 was \$2,356,877.

**Note 12 – Related Parties**

One council member works at a bank that is the City's official depository and the bank also has several lease purchase agreements with the City. Another council member works at a local vendor with which

**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

the City does business. Total expenditures with this vendor for the year ended December 31, 2018 were \$104,000.

**Note 13 – Subsequent Events**

The City's management has evaluated events and transactions occurring after December 31, 2018 through September 18, 2019. The aforementioned date represents the date the financial statement was available to be issued.

**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

**Note 14 – Long-Term Debt**

Changes in long-term liabilities for the municipality 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
General Obligation Bonds:									
Series 2011	3.00-4.00%	2/7/2011	\$ 1,755,000	12/1/2022	\$ 810,000	\$ -	\$ 170,000	\$ 640,000	\$ 31,478
Series 2015-A	2.00-2.75%	9/1/2015	1,410,000	9/1/2025	1,150,000	-	135,000	1,015,000	25,662
Series 2015-B	2.00-2.75%	9/1/2015	810,000	9/1/2025	670,000	-	75,000	595,000	15,675
General Obligation Temporary Notes:									
Series 2017	1.50%	7/31/2017	2,560,000	9/1/2020	2,560,000	-	-	2,560,000	43,520
Series 2018	2.90%	9/13/2018	160,000	9/1/2019	-	160,000	-	160,000	-
Special Obligation Tax Increment Revenue Bond:									
Series 2011	3.00-5.20%	11/1/2011	1,200,000	10/1/2031	1,160,000	-	30,000	1,130,000	54,525
KDHE Loan:									
Project C20 1674-(	2.27%	7/25/2007	1,500,000	3/1/2029	932,213	-	70,832	861,381	23,048
Capital Leases:									
Golf Cart Shed	1.85%	9/3/2014	38,000	4/1/2024	27,119	-	3,662	23,457	509
Fire Truck	1.4%	11/2/2015	140,000	11/2/2025	113,557	-	13,504	100,053	1,613
Total Contractual Indebtedness					<u>\$ 7,422,889</u>	<u>\$ 160,000</u>	<u>\$ 497,998</u>	<u>\$ 7,084,891</u>	<u>\$ 196,030</u>

**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

**Note 14 – Long-Term Debt**

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	2029-2031	Total
Principal:								
General Obligation Bonds:								
Series 2011	\$ 175,000	\$ 180,000	\$ 140,000	\$ 145,000	\$ -	\$ -	\$ -	\$ 640,000
Series 2015-A	135,000	140,000	140,000	145,000	150,000	305,000	-	1,015,000
Series 2015-B	80,000	80,000	80,000	75,000	80,000	200,000	-	595,000
General Obligation Temporary Notes:								
Series 2017	-	2,560,000	-	-	-	-	-	2,560,000
Series 2018	160,000	-	-	-	-	-	-	160,000
Special Obligation Tax Increment Revenue Bond:								
Series 2011	55,000	60,000	70,000	75,000	80,000	460,000	330,000	1,130,000
KDHE Loan:								
Project C20 1674-01	72,629	74,470	76,359	78,295	80,280	432,992	46,356	861,381
Capital Leases:								
Golf Cart Shed	3,731	3,799	3,872	3,944	4,018	4,093	-	23,457
Fire Truck	13,696	13,890	14,087	14,287	14,491	29,602	-	100,053
Total Principal	<u>695,056</u>	<u>3,112,159</u>	<u>524,318</u>	<u>536,526</u>	<u>408,789</u>	<u>1,431,687</u>	<u>376,356</u>	<u>7,084,891</u>



**CITY OF ELLSWORTH, KANSAS**

**NOTES TO THE FINANCIAL STATEMENT  
For the Year Ended December 31, 2018**

**Note 14 – Long-Term Debt**

	Year							
	2019	2020	2021	2022	2023	2024-2028	2029-2031	Total
Interest and Service Fee:								
General Obligation Bonds:								
Series 2011	\$ 24,678	\$ 17,678	\$ 10,478	\$ 5,438	\$ -	\$ -	\$ -	\$ 58,272
Series 2015-A	22,962	20,262	17,462	14,662	11,762	12,274	-	99,384
Series 2015-B	14,175	12,575	10,975	9,375	7,500	8,250	-	62,850
General Obligation Temporary Notes:								
Series 2017	38,400	38,400	-	-	-	-	-	76,800
Series 2018	4,485	-	-	-	-	-	-	4,485
Special Obligation Tax Increment Revenue Bond:								
Series 2011	53,495	51,355	48,955	46,015	42,715	153,950	34,625	431,110
KDHE Loan:								
Project C20 1674-01	21,252	19,410	17,522	15,586	13,600	36,410	584	124,364
Capital Leases:								-
Golf Cart Shed	440	371	299	226	152	77	-	1,565
Fire Truck	1,421	1,227	1,030	829	626	633	-	5,766
Total Interest and and Service Fee	<u>181,308</u>	<u>161,278</u>	<u>106,721</u>	<u>92,131</u>	<u>76,355</u>	<u>211,594</u>	<u>35,209</u>	<u>864,596</u>
Total Principal, Interest, and Service Fee	<u>\$ 876,364</u>	<u>\$ 3,273,437</u>	<u>\$ 631,039</u>	<u>\$ 628,657</u>	<u>\$ 485,144</u>	<u>\$ 1,643,281</u>	<u>\$ 411,565</u>	<u>\$ 7,949,487</u>

**CITY OF ELLSWORTH, KANSAS**

**REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
December 31, 2018**

## CITY OF ELLSWORTH, KANSAS

## Schedule 1

**Summary of Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**

Fund	Certified Budget	Adjustments For Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds					
General	\$ 2,557,400	\$ -	\$ 2,557,400	\$ 2,370,102	\$ (187,298)
Special Purpose Funds					
Library	187,500	-	187,500	142,316	(45,184)
Special Highway	125,000	-	125,000	101,274	(23,726)
Special Parks and Recreation	5,600	-	5,600	4,668	(932)
Tourism and Convention	15,000	-	15,000	13,150	(1,850)
Fire and Police Equipment	66,000	-	66,000	52,986	(13,014)
Capital Improvement	556,000	-	556,000	374,405	(181,595)
Municipal Equipment	193,000	-	193,000	102,320	(90,680)
2011 G.O. Bond Compliance	3,700	-	3,700	-	(3,700)
SO TIF 2011 Revenue	985,000	-	985,000	44,209	(940,791)
SO TIF 2011 Debt Service	116,000	-	116,000	84,526	(31,474)
2017 Temporary Note Cost of Issuance	50,000	-	50,000	-	(50,000)
2017 Temporary Note Debt Service	100,500	-	100,500	-	(100,500)
Bond and Interest Fund:					
Bond and Interest	635,000	-	635,000	465,398	(169,602)
Capital Project Fund:					
2017 Temporary Note Improvement	1,951,000	-	1,951,000	577,974	(1,373,026)
Business Funds:					
Water and Sewer Utility	1,540,000	-	1,540,000	1,488,249	(51,751)
Water and Sewer Emergency Depreciation	80,000	-	80,000	-	(80,000)
Water and Sewer Improvement	250,000	-	250,000	93,881	(156,119)
Solid Waste	165,243	-	165,243	157,592	(7,651)
Recreation and Pool	205,000	-	205,000	183,477	(21,523)

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

## 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	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem	\$ 972,400	\$ 955,294	\$ 904,805	\$ 50,489
Delinquent	4,387	18,128	6,135	11,993
Motor Vehicle	126,602	132,899	123,160	9,739
Recreational Vehicle	2,537	2,689	2,390	299
16/20M and Commercial Vehicle	6,447	6,780	7,692	(912)
Local Alcoholic Liquor Tax	4,875	4,518	4,000	518
Sales Tax	506,280	513,751	500,000	13,751
State Highway Connecting Link	6,236	6,240	3,118	3,122
Franchise Tax	316,884	325,290	297,500	27,790
Fines, Forfeitures and Penalties	79,670	68,840	55,267	13,573
Rural Fire Contracts	22,500	22,500	22,500	-
Burial Permits	7,790	5,850	5,000	850
Cemetery Lots Sold	1,500	1,200	1,000	200
Licenses	4,958	4,514	4,500	14
Hall Rent	2,600	2,500	2,600	(100)
Refunds and Reimbursements	49,802	47,422	16,200	31,222
Building Permits	2,821	7,565	2,500	5,065
Airport	30,275	30,669	20,000	10,669
Golf Course	84,729	92,900	95,333	(2,433)
Interest	3,744	9,019	700	8,319
Administrative Charges	67,381	79,396	79,500	(104)
Miscellaneous	82,262	9,633	3,200	6,433
TBRA Reimbursements	30,815	26,850	-	26,850
Operating Transfers	88,000	96,000	96,000	-
Total Cash Receipts	<u>2,505,495</u>	<u>2,470,447</u>	<u>\$ 2,253,100</u>	<u>\$ 217,347</u>

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**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	
Expenditures				
Administration				
Personal Services	\$ 230,032	\$ 247,944	\$ 246,840	\$ 1,104
Contractual Services	102,654	107,793	102,500	5,293
Commodities	7,425	10,369	9,250	1,119
Neighborhood Revitalization	61,680	33,704	60,000	(26,296)
Operating Transfers	27,000	30,000	30,000	-
Miscellaneous	17,854	26,599	118,395	(91,796)
TIF Refunds	67,572	66,238	65,000	1,238
Police				
Personal Services	309,947	320,004	321,900	(1,896)
Contractual Services	34,301	34,628	44,860	(10,232)
Commodities	15,530	16,065	17,500	(1,435)
Capital Outlay	90	-	500	(500)
Operating Transfers	11,000	16,000	16,000	-
Municipal Services	3,860	3,520	6,800	(3,280)
Street Department				
Personal Services	151,431	161,135	187,100	(25,965)
Contractual Services	71,176	66,532	83,325	(16,793)
Commodities	20,247	24,351	28,100	(3,749)
Operating Transfers	55,000	55,000	55,000	-
Fire Department				
Personal Services	8,000	8,000	8,000	-
Contractual Services	52,358	60,452	57,840	2,612
Commodities	12,964	13,735	16,500	(2,765)
Capital Outlay	15,788	9,117	17,300	(8,183)
Operating Transfers	2,500	5,500	5,500	-
Employee Benefits				
Personal Services	462,447	497,025	498,000	(975)

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**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	
Parks Department				
Personal Services	\$ 34,509	\$ 36,148	\$ 35,150	\$ 998
Contractual Services	22,280	25,068	24,220	848
Commodities	4,481	5,727	6,300	(573)
Operating Transfers	5,500	10,000	10,000	-
Cemetery Department				
Personal Services	3,781	3,397	9,500	(6,103)
Contractual Services	3,477	5,313	4,000	1,313
Commodities	988	1,509	2,100	(591)
Operating Transfers	2,000	3,000	3,000	-
Airport				
Contractual Services	18,931	17,681	23,700	(6,019)
Commodities	22,167	25,805	21,700	4,105
Operating Transfers	20,000	20,000	20,000	-
Sales Tax	1,947	2,096	1,500	596
Industrial Development	16,700	16,700	17,000	(300)
Recreation and Community Development				
Contractual Services	26,000	27,040	15,000	12,040
Operating Transfers	120,000	120,000	120,000	-
Community Development	81,136	5,000	28,000	(23,000)
Municipal Judge	11,151	8,478	-	8,478
Drug Enforcement	-	1,394	-	1,394
TBRA Customer Service	30,633	27,032	-	27,032
Golf Course				
Personal Services	96,486	95,285	105,300	(10,015)
Contractual Services	33,190	38,592	44,320	(5,728)
Commodities	48,509	46,673	55,600	(8,927)
Sales Tax	2,131	2,453	2,800	(347)
Operating Transfers	12,000	12,000	12,000	-
Total Expenditures	<u>2,358,853</u>	<u>2,370,102</u>	<u>\$ 2,557,400</u>	<u>\$ (187,298)</u>
Receipts Over (Under) Expenditures	146,642	100,345		
Unencumbered Cash, Beginning	<u>311,098</u>	<u>457,740</u>		
Unencumbered Cash, Ending	<u>\$ 457,740</u>	<u>\$ 558,085</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

## Library 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	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem	\$ 141,874	\$ 139,886	\$ 132,326	\$ 7,560
Delinquent	673	2,711	687	2,024
Motor Vehicle	19,258	19,427	17,995	1,432
RV, 16/20M, Commercial Vehicle	1,442	1,386	1,477	(91)
Interest	328	922	15	907
Total Cash Receipts	<u>163,575</u>	<u>164,332</u>	<u>\$ 152,500</u>	<u>\$ 11,832</u>
Expenditures				
Appropriation	117,000	127,700	\$ 127,000	\$ 700
Neighborhood Revitalization	9,012	4,929	18,500	(13,571)
TIF Refunds	9,873	9,687	27,350	(17,663)
Miscellaneous	-	-	14,650	(14,650)
Total Expenditures	<u>135,885</u>	<u>142,316</u>	<u>\$ 187,500</u>	<u>\$ (45,184)</u>
Receipts Over (Under) Expenditures	27,690	22,016		
Unencumbered Cash, Beginning	<u>41,080</u>	<u>68,770</u>		
Unencumbered Cash, Ending	<u>\$ 68,770</u>	<u>\$ 90,786</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Special Highway 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 Over (Under)
		Actual	Budget	
Cash Receipts				
State of Kansas Gas Tax	\$ 81,370	\$ 83,005	\$ 80,925	\$ 2,080
Refunds and Reimbursements	673	1,927	-	1,927
Interest	439	688	75	613
Total Cash Receipts	<u>82,482</u>	<u>85,620</u>	<u>\$ 81,000</u>	<u>\$ 4,620</u>
Expenditures				
Contractual Services	50,571	44,961	\$ 62,000	\$ (17,039)
Commodities	20,247	26,313	22,000	4,313
Operating Transfers	10,000	30,000	30,000	-
Miscellaneous	-	-	11,000	(11,000)
Total Expenditures	<u>80,818</u>	<u>101,274</u>	<u>\$ 125,000</u>	<u>\$ (23,726)</u>
Receipts Over (Under) Expenditures	1,664	(15,654)		
Unencumbered Cash, Beginning	<u>44,868</u>	<u>46,532</u>		
Unencumbered Cash, Ending	<u>\$ 46,532</u>	<u>\$ 30,878</u>		



## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Parks and Recreation 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	
Cash Receipts				
Local Alcoholic Liquor Tax	\$ 4,875	\$ 4,518	\$ 4,390	\$ 128
Interest	12	21	10	11
Total Cash Receipts	<u>4,887</u>	<u>4,539</u>	<u>\$ 4,400</u>	<u>\$ 139</u>
Expenditures				
Contractual Services	2,925	3,440	\$ 3,800	\$ (360)
Capital Outlay	974	565	1,000	(435)
Summer Recreation	798	663	600	63
Miscellaneous	-	-	200	(200)
Total Expenditures	<u>4,697</u>	<u>4,668</u>	<u>\$ 5,600</u>	<u>\$ (932)</u>
Receipts Over (Under) Expenditures	190	(129)		
Unencumbered Cash, Beginning	<u>1,965</u>	<u>2,155</u>		
Unencumbered Cash, Ending	<u>\$ 2,155</u>	<u>\$ 2,026</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Tourism and Convention 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	
Cash Receipts				
Transient Guest Tax	\$ 12,645	\$ 18,377	\$ 9,985	\$ 8,392
Interest	83	221	15	206
Total Cash Receipts	<u>12,728</u>	<u>18,598</u>	<u>\$ 10,000</u>	<u>\$ 8,598</u>
Expenditures				
Special Services	7,500	8,750	\$ 9,000	\$ (250)
Publications, Legal, Advertising	-	250	500	(250)
Membership Dues	-	-	450	(450)
Special Events	-	4,150	4,500	(350)
Miscellaneous	-	-	550	(550)
Total Expenditures	<u>7,500</u>	<u>13,150</u>	<u>\$ 15,000</u>	<u>\$ (1,850)</u>
Receipts Over (Under) Expenditures	5,228	5,448		
Unencumbered Cash, Beginning	<u>7,932</u>	<u>13,160</u>		
Unencumbered Cash, Ending	<u>\$ 13,160</u>	<u>\$ 18,608</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Fire and Police Equipment 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	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem	\$ 33,424	\$ 32,922	\$ 31,136	\$ 1,786
Delinquent	97	487	165	322
Motor Vehicle	3,169	4,556	4,234	322
RV, 16/20M, Commercial Vehicle	221	322	340	(18)
Refunds and Reimbursements	-	26,058	-	26,058
Interest	344	829	125	704
Total Cash Receipts	<u>37,255</u>	<u>65,174</u>	<u>\$ 36,000</u>	<u>\$ 29,174</u>
Expenditures				
Capital Outlay	35,616	49,546	\$ 57,000	\$ (7,454)
TIF Refunds	2,323	2,280	2,000	280
Neighborhood Revitalization	2,120	1,160	1,500	(340)
Miscellaneous	-	-	5,500	(5,500)
Total Expenditures	<u>40,059</u>	<u>52,986</u>	<u>\$ 66,000</u>	<u>\$ (13,014)</u>
Receipts Over (Under) Expenditures	(2,804)	12,188		
Unencumbered Cash, Beginning	<u>23,778</u>	<u>20,974</u>		
Unencumbered Cash, Ending	<u>\$ 20,974</u>	<u>\$ 33,162</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Capital Improvement 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	
Cash Receipts				
Refunds and Reimbursements	\$ 363,759	\$ 259,500	\$ 110,000	\$ 149,500
Federal Aid:				
CDBG Reimbursements	56,524	-	100,000	(100,000)
Leases	9,668	10,232	7,500	2,732
Interest	1,498	5,454	700	4,754
Donations	-	-	100	(100)
Miscellaneous	-	18,790	1,200	17,590
Operating Transfers	195,500	213,500	213,500	-
Total Cash Receipts	<u>626,949</u>	<u>507,476</u>	<u>\$ 433,000</u>	<u>\$ 74,476</u>
Expenditures				
Contractual Services	19,237	22,600	\$ 16,000	\$ 6,600
Capital Outlay	102,982	47,173	95,000	(47,827)
Downtown Beautification	-	-	5,000	(5,000)
Housing Rehab and Demo	64,643	2,500	50,000	(47,500)
Safe Routes to School	63,290	-	50,000	(50,000)
General Government	-	-	10,000	(10,000)
Police Department	-	528	5,000	(4,472)
Fire Department	-	-	5,000	(5,000)
Street, ECF, Parks, Recreation	68,072	11,470	45,000	(33,530)
Golf Course	22,927	11,349	15,000	(3,651)
Airport Improvements	216,778	118,744	70,000	48,744
Water Production	16,736	10,631	75,000	(64,369)
Water Transmission	-	72,266	50,000	22,266
Sewer Disposal	4,482	-	10,500	(10,500)
Recreation and Pool	23,414	18,331	4,500	13,831
Special Improvements	-	58,263	-	58,263
Miscellaneous	-	550	50,000	(49,450)
Total Expenditures	<u>602,561</u>	<u>374,405</u>	<u>\$ 556,000</u>	<u>\$ (181,595)</u>
Receipts Over (Under) Expenditures	24,388	133,071		
Unencumbered Cash, Beginning	<u>167,860</u>	<u>192,248</u>		
Unencumbered Cash, Ending	<u>\$ 192,248</u>	<u>\$ 325,319</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Municipal Equipment 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	
Cash Receipts				
Refunds and Reimbursements	\$ 38,105	\$ 15,476	\$ 4,000	\$ 11,476
Interest	1,001	2,314	300	2,014
Miscellaneous	1,725	1,000	2,700	(1,700)
Operating Transfers	120,500	140,000	140,000	-
Total Cash Receipts	<u>161,331</u>	<u>158,790</u>	<u>\$ 147,000</u>	<u>\$ 11,790</u>
Expenditures				
Capital Outlay	9,527	2,006	\$ 30,700	\$ (28,694)
General Government	1,469	13,281	10,000	3,281
Police Department	26,862	13,888	10,000	3,888
Fire Department	11,106	-	10,000	(10,000)
Street Department	62,246	27,865	35,000	(7,135)
Golf Course	43,634	35,000	35,000	-
Special Highway	-	-	4,200	(4,200)
Water Transmission	20,844	10,280	25,000	(14,720)
Water Disposal	19,500	-	20,000	(20,000)
Recreation and Pool	23,860	-	10,000	(10,000)
Miscellaneous	-	-	3,100	(3,100)
Total Expenditures	<u>219,048</u>	<u>102,320</u>	<u>\$ 193,000</u>	<u>\$ (90,680)</u>
Receipts Over (Under) Expenditures	(57,717)	56,470		
Unencumbered Cash, Beginning	<u>128,737</u>	<u>71,020</u>		
Unencumbered Cash, Ending	<u>\$ 71,020</u>	<u>\$ 127,490</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2011 G.O. Bond Compliance 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	
Cash Receipts				
Interest	\$ 16	\$ -	\$ 10	\$ (10)
Expenditures				
Operating Transfers	3,737	-	\$ 3,700	\$ (3,700)
Receipts Over (Under) Expenditures	(3,721)	-		
Unencumbered Cash, Beginning	3,721	-		
Unencumbered Cash, Ending	\$ -	\$ -		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**SO TIF 2011 Revenue 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	
Cash Receipts				
TIF Property Tax	\$ 184,943	\$ 182,997	\$ 192,000	\$ (9,003)
Interest	6,793	15,119	2,000	13,119
Total Cash Receipts	<u>191,736</u>	<u>198,116</u>	<u>\$ 194,000</u>	<u>\$ 4,116</u>
Expenditures				
Operating Transfers	<u>50,000</u>	<u>44,209</u>	<u>\$ 985,000</u>	<u>\$ (940,791)</u>
Receipts Over (Under) Expenditures	141,736	153,907		
Unencumbered Cash, Beginning	<u>608,748</u>	<u>750,484</u>		
Unencumbered Cash, Ending	<u>\$ 750,484</u>	<u>\$ 904,391</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**SO TIF 2011 Debt Service 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	
Cash Receipts				
Interest	\$ 358	\$ 197	\$ 150	\$ 47
Operating Transfers	53,737	44,209	80,000	(35,791)
Total Cash Receipts	<u>54,095</u>	<u>44,406</u>	<u>\$ 80,150</u>	<u>\$ (35,744)</u>
Expenditures				
Bond Principal	20,000	30,000	\$ 25,000	\$ 5,000
Bond Interest	55,205	54,525	60,000	(5,475)
Miscellaneous	<u>1</u>	<u>1</u>	<u>31,000</u>	<u>(30,999)</u>
Total Expenditures	<u>75,206</u>	<u>84,526</u>	<u>\$ 116,000</u>	<u>\$ (31,474)</u>
Receipts Over (Under) Expenditures	(21,111)	(40,120)		
Unencumbered Cash, Beginning	<u>61,231</u>	<u>40,120</u>		
Unencumbered Cash, Ending	<u>\$ 40,120</u>	<u>\$ -</u>		



## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2017 Temporary Note Cost of Issuance 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	
Cash Receipts				
Note Proceeds	\$ 50,272	\$ -	\$ -	\$ -
Expenditures				
Contractual Services	43,683	-	\$ 50,000	\$ (50,000)
Receipts Over (Under) Expenditures	6,589	-		
Unencumbered Cash, Beginning	-	6,589		
Unencumbered Cash, Ending	\$ 6,589	\$ 6,589		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2017 Temporary Note Debt Service 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	
Cash Receipts				
Interest	\$ 9,713	\$ 34,205	\$ 500	\$ 33,705
Operating Transfers	-	-	50,000	(50,000)
Total Cash Receipts	<u>9,713</u>	<u>34,205</u>	<u>\$ 50,500</u>	<u>\$ (16,295)</u>
Expenditures				
Bond Principal	-	-	\$ 55,500	\$ (55,500)
Bond Interest	-	-	45,000	(45,000)
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 100,500</u>	<u>\$ (100,500)</u>
Receipts Over (Under) Expenditures	9,713	34,205		
Unencumbered Cash, Beginning	<u>-</u>	<u>9,713</u>		
Unencumbered Cash, Ending	<u>\$ 9,713</u>	<u>\$ 43,918</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2018 Temporary Note Cost of Issuance 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
Cash Receipts		
Note Proceeds	\$ -	\$ 11,200
Expenditures		
Contractual Services	-	9,700
Receipts Over (Under) Expenditures	-	1,500
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 1,500

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2018 Temporary Note Debt Service 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
Cash Receipts		
Interest	\$ -	\$ 246
Expenditures		
Bond Payments	-	-
Receipts Over (Under) Expenditures	-	246
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 246

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Bond and Interest 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	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem	\$ 122,608	\$ 120,406	\$ 113,895	\$ 6,511
Delinquent	656	2,473	800	1,673
Motor Vehicle	15,025	16,719	15,503	1,216
RV, 16/20M, Commercial Vehicle	991	1,189	1,265	(76)
Sales and Use Tax	226,001	229,819	173,000	56,819
Special Assessments	9,916	12,594	2,000	10,594
Interest	2,698	6,760	700	6,060
Other	23,190	22,285	12,837	9,448
Operating Transfers	160,000	160,000	160,000	-
Total Cash Receipts	<u>561,085</u>	<u>572,245</u>	<u>\$ 480,000</u>	<u>\$ 92,245</u>
Expenditures				
Contractual	25	2	\$ 92,000	\$ (91,998)
Bond Principal	298,538	380,000	430,000	(50,000)
Bond Interest	143,078	72,815	95,000	(22,185)
TIF Refunds	8,506	8,338	12,000	(3,662)
Neighborhood Revitalization	7,764	4,243	6,000	(1,757)
Total Expenditures	<u>457,911</u>	<u>465,398</u>	<u>\$ 635,000</u>	<u>\$ (169,602)</u>
Receipts Over (Under) Expenditures	103,174	106,847		
Unencumbered Cash, Beginning	<u>209,547</u>	<u>312,721</u>		
Unencumbered Cash, Ending	<u>\$ 312,721</u>	<u>\$ 419,568</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2017 Temporary Note Improvement 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	
Cash Receipts				
Note Proceeds	\$ 2,500,000	\$ -	\$ -	\$ -
Interest	-	-	1,000	(1,000)
Total Cash Receipts	<u>2,500,000</u>	<u>-</u>	<u>\$ 1,000</u>	<u>\$ (1,000)</u>
Expenditures				
Contractual Services	259,716	534,454	\$ 1,901,000	\$ (1,366,546)
Bond Interest	-	43,520	-	43,520
Operating Transfers	-	-	50,000	(50,000)
Total Expenditures	<u>259,716</u>	<u>577,974</u>	<u>\$ 1,951,000</u>	<u>\$ (1,373,026)</u>
Receipts Over (Under) Expenditures	2,240,284	(577,974)		
Unencumbered Cash, Beginning	<u>-</u>	<u>2,240,284</u>		
Unencumbered Cash, Ending	<u>\$ 2,240,284</u>	<u>\$ 1,662,310</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**2018 Temporary Note Improvement 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
Cash Receipts		
Note Proceeds	\$ -	\$ 148,800
Expenditures		
Contractual Services	-	104,000
Receipts Over (Under) Expenditures	-	44,800
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 44,800

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Water and Sewer 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	
Cash Receipts				
Sales to Consumers	\$ 885,196	\$ 949,505	\$ 900,050	\$ 49,455
Sewer Service Charge	368,326	444,462	389,100	55,362
Penalties	24,137	21,080	21,475	(395)
User Fees	12,710	12,474	12,000	474
Sales Tax	9,600	10,334	8,400	1,934
Other	5,951	4,010	6,000	(1,990)
Reimbursed Expenses and Refunds	1,551	1,506	1,875	(369)
State Water Fee	3,085	3,064	3,000	64
Interest	2,025	2,311	500	1,811
Total Cash Receipts	<u>1,312,581</u>	<u>1,448,746</u>	<u>\$ 1,342,400</u>	<u>\$ 106,346</u>



## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Water and Sewer 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		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Expenditures				
Production				
Personal Services	\$ 79,842	\$ 85,892	\$ 89,300	\$ (3,408)
Contractual Services	99,493	105,271	96,500	8,771
Commodities	96,413	122,557	101,000	21,557
Transmission and Distribution				
Personal Services	45,806	48,919	52,200	(3,281)
Contractual Services	17,136	47,691	33,000	14,691
Commodities	31,757	43,648	42,000	1,648
Capital Outlay	2,519	6,677	5,000	1,677
Operating Transfers	100,000	100,000	100,000	-
General Administration				
Personal Services	50,899	55,593	56,200	(607)
Contractual Services	96,669	110,995	119,345	(8,350)
Commodities	2,380	2,262	6,955	(4,693)
Other	10,102	681	2,100	(1,419)
Sewage Disposal				
Personal Services	29,815	25,545	52,000	(26,455)
Contractual Services	174,062	140,996	127,100	13,896
Commodities	18,947	12,339	10,000	2,339
Other	500	-	900	(900)
Operating Transfers	60,000	60,000	60,000	-
Non-Operating				
Sales Tax, Water Fees	15,536	16,491	16,000	491
Operating Transfers	422,000	456,000	456,000	-
Commodities	51,683	46,692	49,400	(2,708)
Miscellaneous	-	-	65,000	(65,000)
Total Expenditures	<u>1,405,559</u>	<u>1,488,249</u>	<u>\$ 1,540,000</u>	<u>\$ (51,751)</u>
Receipts Over (Under) Expenditures	(92,978)	(39,503)		
Unencumbered Cash, Beginning	<u>323,585</u>	<u>230,607</u>		
Unencumbered Cash, Ending	<u>\$ 230,607</u>	<u>\$ 191,104</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Water and Sewer Emergency Depreciation 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	
Cash Receipts				
Interest	\$ 289	\$ 1,108	\$ 500	\$ 608
Refunds and Reimbursements	968	-	-	
Operating Transfers	32,000	50,000	50,000	-
Total Cash Receipts	<u>33,257</u>	<u>51,108</u>	<u>\$ 50,500</u>	<u>\$ 608</u>
Expenditures				
Capital Outlay	<u>10,564</u>	<u>-</u>	<u>\$ 80,000</u>	<u>\$ (80,000)</u>
Receipts Over (Under) Expenditures	22,693	51,108		
Unencumbered Cash, Beginning	<u>20,543</u>	<u>43,236</u>		
Unencumbered Cash, Ending	<u>\$ 43,236</u>	<u>\$ 94,344</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Water and Sewer Improvement 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	
Cash Receipts				
Interest	\$ 1,010	\$ 2,751	\$ 100	\$ 2,651
Operating Transfers	142,000	150,000	150,000	-
Total Cash Receipts	<u>143,010</u>	<u>152,751</u>	<u>\$ 150,100</u>	<u>\$ 2,651</u>
Expenditures				
Contractual Services	-	-	\$ 53,500	\$ (53,500)
Capital Outlay	-	-	77,050	(77,050)
Revolving Loan Principal	69,080	70,832	75,000	(4,168)
Revolving Loan Interest	22,340	20,762	25,000	(4,238)
Revolving Loan Service Fee	2,460	2,287	2,500	(213)
Miscellaneous	-	-	16,950	(16,950)
Total Expenditures	<u>93,880</u>	<u>93,881</u>	<u>\$ 250,000</u>	<u>\$ (156,119)</u>
Receipts Over (Under) Expenditures	49,130	58,870		
Unencumbered Cash, Beginning	<u>93,837</u>	<u>142,967</u>		
Unencumbered Cash, Ending	<u>\$ 142,967</u>	<u>\$ 201,837</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Solid Waste 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 Over (Under)
		Actual	Budget	
Cash Receipts				
Disposal Fees	\$ 149,303	\$ 156,489	\$ 151,985	\$ 4,504
Interest	(6)	-	15	(15)
Total Cash Receipts	<u>149,297</u>	<u>156,489</u>	<u>\$ 152,000</u>	<u>\$ 4,489</u>
Expenditures				
Contractual Services	143,985	152,196	\$ 159,500	\$ (7,304)
Administrative Fee	<u>5,381</u>	<u>5,396</u>	<u>5,743</u>	<u>(347)</u>
Total Expenditures	<u>149,366</u>	<u>157,592</u>	<u>\$ 165,243</u>	<u>\$ (7,651)</u>
Receipts Over (Under) Expenditures	(69)	(1,103)		
Unencumbered Cash, Beginning	<u>8,311</u>	<u>8,242</u>		
Unencumbered Cash, Ending	<u>\$ 8,242</u>	<u>\$ 7,139</u>		

## CITY OF ELLSWORTH, KANSAS

## Schedule 2

**Recreation and Pool 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	
Cash Receipts				
Daily Fees	\$ 936	\$ 1,255	\$ 1,400	\$ (145)
Seasonal Pass	70	70	70	-
Facility User Fees	21,897	19,970	23,000	(3,030)
Concessions	4,798	5,285	7,155	(1,870)
Lessons	7,650	6,900	6,000	900
Reimbursed Expenses and Refunds	3,788	316	1,500	(1,184)
Other	25,399	25,876	25,725	151
Interest	467	927	150	777
Operating Transfers	120,000	120,000	120,000	-
Total Cash Receipts	185,005	180,599	\$ 185,000	\$ (4,401)
Expenditures				
Personal Services	107,598	111,328	\$ 122,700	\$ (11,372)
Contractual Services	29,349	30,580	36,195	(5,615)
Commodities	19,341	22,216	23,100	(884)
Capital Outlay	7,521	7,088	6,850	238
Other	200	265	4,155	(3,890)
Operating Transfers	11,000	12,000	12,000	-
Total Expenditures	175,009	183,477	\$ 205,000	\$ (21,523)
Receipts Over (Under) Expenditures	9,996	(2,878)		
Unencumbered Cash, Beginning	21,453	31,449		
Unencumbered Cash, Ending	\$ 31,449	\$ 28,571		

## CITY OF ELLSWORTH, KANSAS

## Schedule 3

**Related Municipal Entity**  
**J.H. Robbins Memorial Library**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Total for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
Contributions	\$ 13,003	\$ 12,827
City Appropriation	117,000	127,000
Fines	1,921	1,143
State Aid	922	874
Central Kansas Library System	10,812	13,719
Interest and Investment	5,227	(49)
Other	1,509	5,136
Total Cash Receipts	<u>150,394</u>	<u>160,650</u>
Expenditures		
Salaries	80,235	84,654
Supplies	3,562	8,603
Repairs and Maintenance	12,349	15,687
Books, Cassettes and Magazines	15,034	15,070
Payroll Taxes	6,229	222
Utilities	8,930	8,830
Insurance	3,486	3,816
Technology	1,746	2,253
Other	7,999	6,187
Total Expenditures	<u>139,570</u>	<u>145,322</u>
Receipts Over (Under) Expenditures	10,824	15,328
Unencumbered Cash, Beginning	<u>252,890</u>	<u>263,714</u>
Unencumbered Cash, Ending	<u>\$ 263,714</u>	<u>\$ 279,042</u>