

CITY OF MINNEAPOLIS, KANSAS

FINANCIAL STATEMENT
WITH
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2017
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

CITY OF MINNEAPOLIS, KANSAS

**FINANCIAL STATEMENT
WITH
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Independent Auditor's Report

To the Mayor and City Council
Minneapolis, Kansas

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

Management's Responsibility for the Financial 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 we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

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

As described in Note 2 of the financial statement, the financial statement is prepared by the City of Minneapolis, 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 Minneapolis, Kansas, as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Minneapolis, Kansas, as of December 31, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

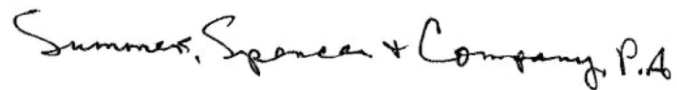
Supplementary Information

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, summary of receipts and disbursements-agency funds, and the schedule of receipts and expenditures-related municipal entities (Schedules 1, 2, 3, and 4 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.

The 2016 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and the schedule of receipts and expenditures-related municipal entities (Schedules 2 and 4 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement.

The City of Minneapolis, Kansas’ basic financial statement for the year ended December 31, 2016 (not presented herein), was audited by Clubine & Rettele, Chartered who merged with Summers Spencer & Company, P.A. as of November 1, 2017, and whose report dated April 20, 2017, expressed an unmodified opinion on the basic financial statement. The 2016 basic financial statement and the other auditor’s report are available in electronic form from the website of the Kansas Department of Administration at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>.

The report of the other auditors dated April 20, 2017, stated that the individual schedules of regulatory basis of receipts and expenditures-actual and budget and schedule of receipts and expenditures-related municipal entities for the year ended December 31, 2016 was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note 2.

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

Summers, Spencer & Company, P.A.

Salina, Kansas

July 9, 2018

CITY OF MINNEAPOLIS, KANSAS

Statement 1

**Summary Statements of Receipts, Expenditures, and Unencumbered Cash (Regulatory Basis)
For the Year Ended December 31, 2017**

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund							
General	\$ 238,623	\$ -	\$ 944,075	\$ 1,022,445	\$ 160,253	\$ 5,803	\$ 166,056
Special Purpose Funds							
Library General	-	-	50,936	50,936	-	-	-
Recreation Commission General	-	-	45,263	45,263	-	-	-
Special Parks and Recreation	25,669	-	1,636	-	27,305	-	27,305
Main Trafficway	57,277	-	104,178	51,352	110,103	2,074	112,177
Economic Development	144,646	-	6,615	16,272	134,989	127	135,116
Equipment Reserve	122,001	-	60,000	-	182,001	-	182,001
Capital Improvement	773,239	-	876,776	264,904	1,385,111	8,196	1,393,307
Revitalization	9,112	-	50	5,906	3,256	-	3,256
Bond and Interest Fund							
Bond and Interest	99,407	-	-	-	99,407	-	99,407
Business Funds							
Electric Operations	577,612	-	2,512,404	2,786,763	303,254	6,322	309,576
Electric Bond and Interest	330,676	-	-	-	330,676	-	330,676
Electric Surplus	464,978	-	-	-	464,978	-	464,978
Electric Depreciation/Replacement	27,508	-	1,248	-	28,756	-	28,756
Waterworks Operations	360,274	-	548,291	552,814	355,751	5,304	361,055
Waterworks Surplus	90,005	-	-	-	90,005	-	90,005
Sewer Operations	330,146	-	192,548	165,740	356,954	2,529	359,483
Ambulance Operations	203,078	-	463,455	356,846	309,687	1,733	311,420
	<u>3,854,251</u>	<u>-</u>	<u>5,807,476</u>	<u>5,319,241</u>	<u>4,342,486</u>	<u>32,088</u>	<u>4,374,574</u>
Related Municipal Entities							
Minneapolis Public Library	35,671	-	65,362	75,247	25,786	7,401	33,187
Minneapolis Recreation Commission	38,885	-	48,528	46,651	40,762	620	41,382
	<u>74,556</u>	<u>-</u>	<u>113,890</u>	<u>121,898</u>	<u>66,548</u>	<u>8,021</u>	<u>74,569</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 3,928,807</u>	<u>\$ -</u>	<u>\$ 5,921,366</u>	<u>\$ 5,441,139</u>	<u>\$ 4,409,034</u>	<u>\$ 40,109</u>	<u>\$ 4,449,143</u>
Composition of Cash:			Cash on Hand				\$ 2,430
			Checking and Savings Accounts				4,356,008
			Certificates of Deposit				27,995
			Library and Recreation Commission Accounts				74,138
			Total Cash				4,460,571
			Agency Funds per Schedule 3				(11,428)
			Total Reporting Entity (Excluding Agency Funds)				<u>\$ 4,449,143</u>

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

CITY OF MINNEAPOLIS, KANSAS

Notes to the Financial Statement For the Year Ended December 31, 2017

Note 1 – Reporting Entity

The City of Minneapolis is a municipal corporation governed by a citizen elected mayor and five elected council members. The financial statement presents the City of Minneapolis (the municipality) and its related municipal entities. The related municipal entities are included in the City's reporting entity because they were established to benefit the City and/or its constituents.

Minneapolis Public Library: The Library Board operates the City's public library. The Library Board operates as a separate governing body but the City levies the taxes for the Library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City.

Minneapolis Recreation Commission: The Recreation Commission oversees recreation activities. The Recreation Commission operates as a separate governing body but the City levies the taxes for the Recreation Commission and the Recreation Commission has only the powers granted by statute, K.S.A. 12-1928.

The following related municipal entity is excluded from the financial statement of the primary government:

Housing Authority: The City of Minneapolis Housing Authority operates the City's housing projects. The Housing Authority can sue and be sued, and can buy, sell, or real property. Bond issuances must be approved by the City. The Housing Authority is audited separately. Copies of The City of Minneapolis Housing Authority audit may be obtained by contacting their office at 114 South Rock Street, Minneapolis, Kansas.

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, 2017:

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 a specified purpose.

CITY OF MINNEAPOLIS, KANSAS

Notes to the Financial Statement For the Year Ended December 31, 2017

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

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

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

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 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. 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 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 regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and 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:

Equipment reserve fund	Capital improvement fund
Electric bond and interest fund	Electric surplus fund
Electric depreciation/replacement fund	Waterworks surplus fund

CITY OF MINNEAPOLIS, KANSAS

Notes to the Financial Statement For the Year Ended December 31, 2017

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 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, 2017.

At December 31, 2017, the City's carrying amount of deposits, including related municipal entities, was \$4,458,144 and the bank balance was \$4,588,672. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$324,603 was covered by federal depository insurance, and the balance of \$4,264,069 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.

Note 5 – 2007 Revenue Bonds

In 2007, the City of Minneapolis issued \$750,000 in revenue bonds for the purpose of funding an upgrade to the electric system. Provisions of the bond ordinance make the following requirements for the electric utility to assure profitable operation and timely repayment of debt:

Establishment of rates adequate to insure a net income equal to at least 115 percent of the total principal and interest due for the year. For 2017, 115 percent of the debt service payments would be \$77,188. Net income for 2017 was \$146,809, which satisfies the bond ordinance.

Establishment of a separate account to provide for the payment of principal and interest each year. The City established the Electric Bond and Interest Fund to satisfy this requirement.

CITY OF MINNEAPOLIS, KANSAS

Notes to the Financial Statement For the Year Ended December 31, 2017

Establishment of a depreciation and replacement account in the amount of \$20,000. The fund may be used solely for the purpose of making emergency replacements and repairs to the system. If any part of the money in the depreciation and replacement account are used, monthly deposits of \$1,500 are required to be made until the account is restored to \$20,000. The account balance at December 31, 2017 was \$28,756.

Establishment of a surplus account to receive all moneys not needed for the current operation of the utility or required to be transferred to reserve accounts. The moneys in the surplus account may be used for system operation, system expansion or improvement, debt service, or lawful transfers to other funds. The electric surplus fund had \$464,978 at December 31, 2017.

The electric system had an average of 1,119 customers per month during 2017.

The financial statement together with the description of revenue bond requirements above indicate the electric utility has met requirements for reserves and debt service, and the current rate structure appears to have been adequate in 2017 to meet the requirements K.S.A. 12-866 and K.S.A. 10-1208 as applicable.

Note 6 – Interfund Transfers

Operating transfers were as followed:

From	To	Statutory Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	\$ 60,000
General Fund	Main Trafficway Fund	K.S.A. 12-1,119	50,000
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	160,000
General Fund	Waterworks Operations Fund	K.S.A. 12-197	59,000
Waterworks Operations Fund	Capital Improvement Fund	K.S.A. 12-825d	124,729
Electric Operations Fund	Capital Improvement Fund	K.S.A. 12-825d	352,800

Note 7 – Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 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.

CITY OF MINNEAPOLIS, KANSAS

Notes to the Financial Statement For the Year Ended December 31, 2017

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for Death and Disability Program) and statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the City of Minneapolis and the Minneapolis Public Library were \$67,566 and \$2,612, respectively, for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, the City of Minneapolis and the Minneapolis Public Library's proportionate share of the net pension liability reported by KPERS was \$762,931 and \$24,088 respectively. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City of Minneapolis and the Minneapolis Public Library's proportion of the net pension liability was based on the ratio of the City of Minneapolis and the Minneapolis Public Library'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 or can be obtained as described above.

Note 8 – Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees under age 65 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.

Note 9 – Compensated Absences

The City provides compensation for absences. The policy permits employees classified as full-time, one who works 40 hours per week, to accrue vacation time at the following rates:

Years of Continuous Employment	< 10 years	> 10 years
Hours Earned Per Month	8 hours	10 hours
Maximum Hours Accumulation	144 hours	192 hours
Equivalent Work Days	18 days	24 days
Maximum Hours for One Time Leave	80 hours	80 hours

Part-time employees who work at least 20 hours or more per week shall earn four hours of vacation each month upon completion of the first 12 months of employment.

CITY OF MINNEAPOLIS, KANSAS

Notes to the Financial Statement For the Year Ended December 31, 2017

Upon termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay, subject to the maximum hours accumulation listed above.

The City also allows full-time and part-time employees working at least 20 hours or more per week to earn sick leave. Full-time employees earn eight hours of sick leave each full month of service. Part-time employees working not less than 20 hours per week receive four hours of sick leave each month of employment upon completion of the initial 12 months of employment. No employee may accumulate more than 720 hours of sick leave. Upon termination, an employee shall not receive compensation for any unused sick leave other than for the purpose of retirement. Employees in good standing would be able to receive 50% of their accumulated sick leave upon retirement.

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 – Capital Projects

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

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
City Hall Building Remodel	\$ 600,000	\$ 15,549

Note 12 – Related Parties

All of the City's carrying deposits are held at one bank that employs the City Treasurer. Payments made to this bank and its constituents during 2017 was \$44,684. The City also made payments to another vendor in which the owner is a City Council member. The total payments made during 2017 to this vendor was \$12,967. The City did not have a balance due to either of the vendors as of December 31, 2017.

Note 13 – Subsequent Events

The City's management has evaluated events and transactions occurring after December 31, 2017 through July 9, 2018. The aforementioned date represents the date the financial statement was available to be issued.

CITY OF MINNEAPOLIS, KANSAS

**Notes to the Financial Statement
For the Year Ended December 31, 2017**

Note 14 - Long-Term Debt

Changes in long-term liabilities for the municipality for the year ended December 31, 2017 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 Obligations Bonds:									
General Obligation Refunding and Improvement Bonds	1.875-2.5%	3/15/2012	\$ 2,445,000	8/1/2026	\$ 1,600,000	\$ -	\$ 165,000	\$ 1,435,000	\$ 34,388
Series 2014	0.5-4.05%	12/23/2013	965,000	8/1/2029	865,000	-	60,000	805,000	24,235
Total General Obligation Bonds					<u>2,465,000</u>	<u>-</u>	<u>225,000</u>	<u>2,240,000</u>	<u>58,623</u>
Revenue Bond:									
Electric Utilities, Series 2007	4.375-4.65%	7/1/2007	750,000	5/1/2022	<u>400,000</u>	<u>-</u>	<u>50,000</u>	<u>350,000</u>	<u>17,120</u>
KDHE Loan:									
Water Pollution Control *	2.29%	9/28/2012 2/29/16	687,578	9/1/2034	<u>349,806</u>	<u>-</u>	<u>15,903</u>	<u>333,903</u>	<u>7,920</u>
Capital Leases:									
2012 Chevrolet Ambulance	2.90%	7/3/2012	75,000	7/3/2017	15,881	-	15,881	-	473
408 W 1st St	1.90%	4/1/2013	66,550	1/1/2018	27,375	-	13,558	13,817	520
Bucket Truck	1.95%	9/10/2015	93,900	9/10/2018	63,212	-	31,296	31,916	1,252
JCB Wheel Loader	1.90%	1/25/2016	83,092	1/25/2021	83,092	-	15,996	67,096	1,583
Sand Volleyball Courts	2.50%	2/11/2016	65,000	2/11/2027	<u>65,000</u>	<u>-</u>	<u>5,792</u>	<u>59,208</u>	<u>1,649</u>
Total Capital Leases					<u>254,560</u>	<u>-</u>	<u>82,523</u>	<u>172,037</u>	<u>5,477</u>
Total Contractual Indebtedness					<u>\$ 3,469,366</u>	<u>\$ -</u>	<u>\$ 373,426</u>	<u>\$ 3,095,940</u>	<u>\$ 89,140</u>

* The KDHE Water Pollution Loan agreement was revised February 2016.

CITY OF MINNEAPOLIS, KANSAS

**Notes to the Financial Statement
For the Year Ended December 31, 2017**

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								
	2018	2019	2020	2021	2022	2023-2027	2028-2032	2033-2034	Total
Principal:									
General Obligations Bonds:									
General Obligation Refunding									
and Improvement Bonds	\$ 170,000	\$ 160,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 655,000	\$ -	\$ -	\$ 1,435,000
Series 2014	60,000	60,000	60,000	60,000	65,000	345,000	155,000	-	805,000
Total General Obligation Bonds	<u>230,000</u>	<u>220,000</u>	<u>210,000</u>	<u>210,000</u>	<u>215,000</u>	<u>1,000,000</u>	<u>155,000</u>	<u>-</u>	<u>2,240,000</u>
Revenue Bonds:									
Electric Utilities, Series 2007	<u>50,000</u>	<u>55,000</u>	<u>55,000</u>	<u>60,000</u>	<u>130,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,000</u>
KDHE Loan:									
Water Pollution Control	<u>16,269</u>	<u>16,644</u>	<u>17,027</u>	<u>17,419</u>	<u>17,820</u>	<u>95,451</u>	<u>106,961</u>	<u>46,312</u>	<u>333,903</u>
Capital Leases:									
408 W 1st St	13,817	-	-	-	-	-	-	-	13,817
Bucket Truck	31,916	-	-	-	-	-	-	-	31,916
JCB Wheel Loader	16,304	16,614	16,929	17,249	-	-	-	-	67,096
Sand Volleyball Courts	5,939	6,090	6,244	6,402	6,565	27,968	-	-	59,208
Total Capital Leases	<u>67,976</u>	<u>22,704</u>	<u>23,173</u>	<u>23,651</u>	<u>6,565</u>	<u>27,968</u>	<u>-</u>	<u>-</u>	<u>172,037</u>
Total Principal	<u>\$ 364,245</u>	<u>\$ 314,348</u>	<u>\$ 305,200</u>	<u>\$ 311,070</u>	<u>\$ 369,385</u>	<u>\$ 1,123,419</u>	<u>\$ 261,961</u>	<u>\$ 46,312</u>	<u>\$ 3,095,940</u>

CITY OF MINNEAPOLIS, KANSAS

**Notes to the Financial Statement
For the Year Ended December 31, 2017**

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								
	2018	2019	2020	2021	2022	2023-2027	2028-2032	2033-2034	Total
Interest:									
General Obligations Bonds:									
General Obligation Refunding									
and Improvement Bonds	\$ 31,088	\$ 27,688	\$ 24,688	\$ 21,875	\$ 18,725	\$ 40,175	\$ -	\$ -	\$ 164,239
Series 2014	23,545	22,735	21,775	20,575	19,195	67,323	9,405	-	184,553
Total General Obligation Bonds	54,633	50,423	46,463	42,450	37,920	107,498	9,405	-	348,792
Revenue Bonds:									
Electric Utilities, Series 2007	15,995	13,745	11,243	8,740	5,980	-	-	-	55,703
KDHE Loan:									
Water Pollution Control									
Interest and Service Fee	7,554	7,179	6,796	6,404	6,002	23,663	12,153	1,334	71,085
Capital Leases:									
408 W 1st St	263	-	-	-	-	-	-	-	263
Bucket Truck	632	-	-	-	-	-	-	-	632
JCB Wheel Loader	1,275	965	649	329	-	-	-	-	3,218
Sand Volleyball Courts	1,502	1,351	1,197	1,039	876	1,796	-	-	7,761
Total Capital Leases	3,672	2,316	1,846	1,368	876	1,796	-	-	11,874
Total Interest	81,854	73,663	66,348	58,962	50,778	132,957	21,558	1,334	487,453
Total Principal, Interest, and Service Fee	\$ 446,098	\$ 388,011	\$ 371,548	\$ 370,033	\$ 420,163	\$ 1,256,376	\$ 283,519	\$ 47,646	\$ 3,583,394

CITY OF MINNEAPOLIS, KANSAS

REGULATORY – REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2017

CITY OF MINNEAPOLIS, KANSAS

Schedule 1

Summary of Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017

Funds	Certified Budget	Adjustment For Qualifying Budget Credits	Total Budget For Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
General Funds					
General	\$ 1,083,526	\$ -	\$ 1,083,526	\$ 1,022,445	\$ (61,081)
Special Purpose Funds					
Library General	51,715	-	51,715	50,936	(779)
Recreation Commission General	45,972	-	45,972	45,263	(709)
Special Parks and Recreation	29,682	-	29,682	-	(29,682)
Main Trafficway	165,867	-	165,867	51,352	(114,515)
Economic Development	269,500	-	269,500	16,272	(253,228)
Revitalization	22,495	-	22,495	5,906	(16,589)
Bond and Interest Fund					
Bond and Interest	99,406	-	99,406	-	(99,406)
Business Funds					
Electric Operations	2,966,851	-	2,966,851	2,786,763	(180,088)
Waterworks Operations	588,651	-	588,651	552,814	(35,837)
Sewer Operations	200,609	-	200,609	165,740	(34,869)
Ambulance Operations	411,277	-	411,277	356,846	(54,431)

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

General Fund

Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)

For the Year Ended December 31, 2017

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 361,473	\$ 363,378	\$ 372,377	\$ (8,999)
Delinquent Tax	5,085	5,498	6,100	(602)
Motor Vehicle Tax	68,609	67,413	68,518	(1,105)
Recreational Vehicle Tax	1,126	1,022	966	56
16/20M Vehicle Tax	895	719	909	(190)
Vehicle Excise Tax	12	-	14	(14)
Commercial Truck Tax	2,170	2,114	2,121	(7)
Watercraft Tax	431	420	-	420
Total Taxes and Shared Revenue	439,801	440,564	451,005	(10,441)
Intergovernmental				
Local Sales Tax	203,532	194,900	198,000	(3,100)
City Share Sales and Use Tax	92,464	90,819	85,000	5,819
State Connecting Links	9,138	9,126	9,131	(5)
Local Alcoholic Liquor Fund	211	511	644	(133)
Total Intergovernmental	305,345	295,356	292,775	2,581
Licenses and Permits				
Utility Franchise Tax	135,740	137,350	123,000	14,350
Occupation & Amusement Licenses	1,805	2,020	1,500	520
Permits	1,200	685	2,000	(1,315)
Cereal Malt Beverage Licenses	375	175	200	(25)
Liquor Licenses	1,600	-	600	(600)
Dog and Cat Licenses	1,946	2,033	2,300	(267)
Pole Attachment Agreement	2,676	-	2,676	(2,676)
Total Licenses and Permits	145,342	142,263	132,276	9,987
Charges for Services				
Swimming Pool	14,289	14,459	12,000	2,459
Impoundment Fees	810	665	650	15
Accident Reports	75	95	50	45
Rezoning Fees	200	200	200	-
Parking Permits	390	410	500	(90)
Refuse Collection Fees	10,818	-	1,500	(1,500)
Camper Fees and Scout Hall Rental	1,325	1,350	1,500	(150)
Total Charges for Services	27,907	17,179	16,400	779
Fines and Forfeitures	13,500	-	10,000	(10,000)
Use of Money and Property				
Interest	7,551	7,325	8,000	(675)
Lease Purchase	-	7,441	7,441	-
Total Use of Money and Property	7,551	14,766	15,441	(675)
Other				
Reimbursements	4,972	7,735	2,500	5,235
Payment in Lieu of Taxes	16,968	18,854	-	18,854
Miscellaneous	21,973	7,358	8,600	(1,242)
Total Other	43,913	33,947	11,100	22,847
Total Cash Receipts	983,359	944,075	\$ 928,997	\$ 15,078

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

General Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

Expenditures	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
General Government				
Personal Services	\$ 90,592	\$ 87,573	\$ 89,715	\$ (2,142)
Contractual Services	41,535	105,503	39,000	66,503
Commodities	33,432	3,458	62,835	(59,377)
Capital Outlay	1,040	4,800	10,000	(5,200)
Total General Government	166,599	201,334	201,550	(216)
Police Department				
Personal Services	262,626	272,815	276,769	(3,954)
Contractual Services	45,034	45,998	40,275	5,723
Commodities	16,787	12,964	29,600	(16,636)
Capital Outlay	-	11,926	-	11,926
Total Police Department	324,447	343,703	346,644	(2,941)
Fire Department				
Contractual Services	29,892	28,572	28,572	-
Public Works				
Personal Services	34,863	21,758	45,480	(23,722)
Contractual Services	9,059	30,940	17,300	13,640
Commodities	25,984	10,001	47,232	(37,231)
Total Public Works	69,906	62,699	110,012	(47,313)
Park Department				
Contractual Services	6,548	13,362	14,225	(863)
Commodities	5,846	390	7,050	(6,660)
Capital Outlay	4,645	2,170	2,000	170
Total Park Department	17,039	15,922	23,275	(7,353)
Industrial				
Contractual Services	154	99	3,091	(2,992)
Swimming Pools				
Personal Services	23,771	23,303	23,212	91
Contractual Services	8,051	10,763	8,400	2,363
Commodities	8,257	5,591	8,500	(2,909)
Total Swimming Pools	40,079	39,657	40,112	(455)
Economic Development				
Contractual Services	1,286	1,459	1,270	189
Operating Transfers	345,000	329,000	329,000	-
Total Expenditures	994,402	1,022,445	\$ 1,083,526	\$ (61,081)
Receipts Over (Under) Expenditures	(11,043)	(78,370)		
Unencumbered Cash, Beginning	249,666	238,623		
Unencumbered Cash, Ending	\$ 238,623	\$ 160,253		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Library General Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 43,244	\$ 41,998	\$ 43,038	\$ (1,040)
Delinquent Tax	506	602	-	602
Motor Vehicle Tax	7,193	7,837	8,198	(361)
Recreational Vehicle Tax	119	120	116	4
16/20M Vehicle Tax	90	77	109	(32)
Vehicle Excise Tax	1	-	-	-
Commercial Truck Tax	230	252	254	(2)
Watercraft Tax	46	50	-	50
Total Cash Receipts	<u>51,429</u>	<u>50,936</u>	<u>\$ 51,715</u>	<u>\$ (829)</u>
Expenditures				
Appropriation to Library Board	<u>51,429</u>	<u>50,936</u>	<u>\$ 51,715</u>	<u>\$ (779)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Recreation Commission General Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 37,179	\$ 37,379	\$ 38,306	\$ (927)
Delinquent Tax	484	543	-	543
Motor Vehicle Tax	6,866	6,903	7,048	(145)
Recreational Vehicle Tax	113	105	99	6
16/20M Vehicle Tax	87	73	94	(21)
Vehicle Excise Tax	1	-	-	-
Commercial Truck Tax	219	217	218	(1)
Watercraft Tax	44	43	-	43
Total Cash Receipts	<u>44,993</u>	<u>45,263</u>	<u>\$ 45,765</u>	<u>\$ (545)</u>
Expenditures				
Appropriation to Recreation Board	<u>44,993</u>	<u>45,263</u>	<u>\$ 45,972</u>	<u>\$ (709)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Special Parks and Recreation Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Local Alcoholic Liquor Tax	\$ 1,481	\$ 511	\$ 644	\$ (133)
Campers Fees	<u>1,855</u>	<u>1,125</u>	<u>1,300</u>	<u>(175)</u>
Total Cash Receipts	<u>3,336</u>	<u>1,636</u>	<u>\$ 1,944</u>	<u>\$ (308)</u>
Expenditures				
Capital Outlay	<u>3,025</u>	<u>-</u>	<u>\$ 29,682</u>	<u>\$ (29,682)</u>
Receipts Over (Under) Expenditures	311	1,636		
Unencumbered Cash, Beginning	<u>25,358</u>	<u>25,669</u>		
Unencumbered Cash, Ending	<u>\$ 25,669</u>	<u>\$ 27,305</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Main Trafficway Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
State of Kansas Gas Tax	\$ 53,470	\$ 53,132	\$ 52,660	\$ 472
Reimbursements and Other	1,084	1,046	1,200	(154)
Operating Transfers	50,000	50,000	50,000	-
Total Cash Receipts	<u>104,554</u>	<u>104,178</u>	<u>\$ 103,860</u>	<u>\$ 318</u>
Expenditures				
Personal Services	29,911	17,715	\$ 43,567	\$ (25,852)
Contractual Services	23,893	26,211	57,300	(31,089)
Commodities	-	4,136	5,000	(864)
Capital Outlay	5,370	3,290	60,000	(56,710)
Total Expenditures	<u>59,174</u>	<u>51,352</u>	<u>\$ 165,867</u>	<u>\$ (114,515)</u>
Receipts Over (Under) Expenditures	45,380	52,826		
Unencumbered Cash, Beginning	<u>11,897</u>	<u>57,277</u>		
Unencumbered Cash, Ending	<u>\$ 57,277</u>	<u>\$ 110,103</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Economic Development Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Farm Income	\$ 7,516	\$ 6,615	\$ 6,500	\$ 115
Sale of Property	-	-	150,000	(150,000)
Total Cash Receipts	<u>7,516</u>	<u>6,615</u>	<u>\$ 156,500</u>	<u>\$ (149,885)</u>
Expenditures				
Contractual Services	9,923	9,778	\$ 8,500	\$ 1,278
Commodities	-	-	16,000	(16,000)
Industrial Development	-	-	238,500	(238,500)
Insurance	3,890	4,042	4,000	42
Miscellaneous	<u>1,850</u>	<u>2,452</u>	<u>2,500</u>	<u>(48)</u>
Total Expenditures	<u>15,663</u>	<u>16,272</u>	<u>\$ 269,500</u>	<u>\$ (253,228)</u>
Receipts Over (Under) Expenditures	(8,147)	(9,657)		
Unencumbered Cash, Beginning	<u>152,793</u>	<u>144,646</u>		
Unencumbered Cash, Ending	<u>\$ 144,646</u>	<u>\$ 134,989</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Equipment Reserve Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Sale of Equipment	\$ 12,450	\$ -
Operating Transfers	60,000	60,000
Total Cash Receipts	<u>72,450</u>	<u>60,000</u>
Expenditures		
Equipment	<u>46,630</u>	<u>-</u>
Receipts Over (Under) Expenditures	25,820	60,000
Unencumbered Cash, Beginning	<u>96,181</u>	<u>122,001</u>
Unencumbered Cash, Ending	<u><u>\$ 122,001</u></u>	<u><u>\$ 182,001</u></u>

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Capital Improvement Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Reimbursements	\$ 66,755	\$ 27,071
CDBG Funds	-	132,621
Operating Transfers	160,000	637,529
GO 2014 Pool	80,885	79,555
Total Cash Receipts	<u>307,640</u>	<u>876,776</u>
Expenditures		
City Hall Building Remodel	-	15,549
CDBG Expenses	-	128,871
Park Improvement	-	2,389
Other	97,725	43,587
Debt Service - 2014 GO Pool	104,297	74,508
Total Expenditures	<u>202,022</u>	<u>264,904</u>
Receipts Over (Under) Expenditures	105,618	611,872
Unencumbered Cash, Beginning	<u>667,621</u>	<u>773,239</u>
Unencumbered Cash, Ending	<u>\$ 773,239</u>	<u>\$ 1,385,111</u>

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Revitalization Fund

Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)

For the Year Ended December 31, 2017

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
County Revitalization	\$ 8,525	\$ 50	\$ 15,000	\$ (14,950)
Expenditures				
Tax Rebates	\$ 15,789	\$ 5,906	\$ 22,495	\$ (16,589)
Receipts Over (Under) Expenditures	(7,264)	(5,856)		
Unencumbered Cash, Beginning	16,376	9,112		
Unencumbered Cash, Ending	\$ 9,112	\$ 3,256		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Bond and Interest Fund

Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)

For the Year Ended December 31, 2017

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Bond Payments	-	-	\$ 99,406	\$ (99,406)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	99,407	99,407		
Unencumbered Cash, Ending	\$ 99,407	\$ 99,407		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Electric Operations Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Charges for Service - Electricity	\$ 2,409,149	\$ 2,414,428	\$ 2,494,683	\$ (80,255)
Connect and Reconnect	2,610	2,291	1,900	391
Reimbursed Expenses	20,493	17,092	5,000	12,092
Penalty Charges	10,692	13,328	12,000	1,328
Bad Debt Recovery	16	143	-	143
Capacity Payments	42,332	46,141	42,000	4,141
Interest	386	-	1,500	(1,500)
Miscellaneous	10,112	18,981	10,000	8,981
Total Cash Receipts	<u>2,495,790</u>	<u>2,512,404</u>	<u>\$ 2,567,083</u>	<u>\$ (54,679)</u>
Expenditures				
Production				
Personal Services	275,617	316,700	\$ -	\$ 316,700
Contractual Services	1,593,629	1,464,647	2,052,530	(587,883)
Commodities	54,185	37,769	-	37,769
Capital Outlay	4,014	4,853	-	4,853
Total Production Expenditures	<u>1,927,445</u>	<u>1,823,968</u>	<u>2,052,530</u>	<u>(228,562)</u>
Distribution				
Personal Services	215,572	224,016	623,387	(399,371)
Contractual Services	92,071	99,728	-	99,728
Commodities	2,399	2,257	-	2,257
Capital Outlay	69,340	-	-	-
Total Distribution Services	<u>379,381</u>	<u>326,001</u>	<u>623,387</u>	<u>(297,386)</u>
Administrative				
Personal Services	87,487	82,882	290,934	(208,052)
Contractual Services	59,106	77,192	-	77,192
Commodities	2,189	2,797	-	2,797
Capital Outlay	751	1,517	-	1,517
Debt Service	115,965	119,606	-	119,606
Total Administrative Services	<u>265,497</u>	<u>283,994</u>	<u>290,934</u>	<u>(6,940)</u>
Operating Transfers	-	352,800	-	352,800
Total Expenditures	<u>2,572,323</u>	<u>2,786,763</u>	<u>\$ 2,966,851</u>	<u>\$ (180,088)</u>
Receipts Over (Under) Expenditures	(76,533)	(274,359)		
Unencumbered Cash, Beginning	<u>654,145</u>	<u>577,612</u>		
Unencumbered Cash, Ending	<u>\$ 577,612</u>	<u>\$ 303,254</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Electric Bond and Interest Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ -	\$ -
Expenditures		
Debt Service	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	330,676	330,676
Unencumbered Cash, Ending	\$ 330,676	\$ 330,676

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Electric Surplus Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfer	\$ -	\$ -
Expenditures		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	464,978	464,978
Unencumbered Cash, Ending	\$ 464,978	\$ 464,978

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Electric Depreciation/Replacement Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ 559	\$ 1,248
Expenditures		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	559	1,248
Unencumbered Cash, Beginning	26,949	27,508
Unencumbered Cash, Ending	\$ 27,508	\$ 28,756

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Waterworks Operations Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for services	\$ 449,080	\$ 453,035	\$ 480,000	\$ (26,965)
Other Sales	2,042	2,754	4,200	(1,446)
Connect and Reconnect Fees	1,715	1,580	1,900	(320)
Penalty Charges	7,075	9,404	8,500	904
Reimbursed Expenses	13,396	13,165	5,000	8,165
Miscellaneous	6,279	6,304	6,000	304
Interest	1,531	3,050	-	3,050
Operating Transfers	75,000	59,000	59,000	0
Total Cash Receipts	<u>556,118</u>	<u>548,291</u>	<u>\$ 564,600</u>	<u>\$ (16,309)</u>
Expenditures				
Personal Services	88,429	77,215	\$ 100,962	\$ (23,747)
Contractual Services	140,422	131,522	288,929	(157,407)
Commodities	23,776	24,037	82,900	(58,863)
Capital Outlay	2,101	27,283	110,000	(82,717)
Debt Service	199,146	168,028	5,860	162,168
Operating Transfers	-	124,729	-	124,729
Total Expenditures	<u>453,874</u>	<u>552,814</u>	<u>\$ 588,651</u>	<u>\$ (35,837)</u>
Receipts Over (Under) Expenditures	102,244	(4,523)		
Unencumbered Cash, Beginning	<u>258,030</u>	<u>360,274</u>		
Unencumbered Cash, Ending	<u>\$ 360,274</u>	<u>\$ 355,751</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Waterworks Surplus Fund
Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfers	\$ -	\$ -
Expenditures		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	90,005	90,005
Unencumbered Cash, Ending	<u>\$ 90,005</u>	<u>\$ 90,005</u>

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Sewer Operations Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sale of Service	\$ 205,123	\$ 184,698	\$ 166,678	\$ 18,020
Special Assessments	2,935	2,749	3,000	(251)
Reimbursements	278	-	-	-
Miscellaneous	4,483	5,101	-	5,101
Total Cash Receipts	<u>212,819</u>	<u>192,548</u>	<u>\$ 169,678</u>	<u>\$ 22,870</u>
Expenditures				
Personal Service	48,974	43,930	51,683	\$ (7,753)
Commodities	47,062	49,084	65,183	(16,099)
Contractual	9,895	16,685	24,060	(7,375)
Capital Outlay	24,790	6,317	30,000	(23,683)
Debt Service	1,891	25,901	5,860	20,041
KDHE Loan Payments	120,460	23,823	23,823	-
Total Expenditures	<u>253,072</u>	<u>165,740</u>	<u>\$ 200,609</u>	<u>\$ (34,869)</u>
Receipts Over (Under) Expenditures	(40,253)	26,808		
Unencumbered Cash, Beginning	<u>370,399</u>	<u>330,146</u>		
Unencumbered Cash, Ending	<u>\$ 330,146</u>	<u>\$ 356,954</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 2

Ambulance Operations Fund
Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services	\$ 101,185	\$ 131,455	\$ 115,000	\$ 16,455
County Subsidy	234,745	322,290	198,000	124,290
Reimbursements and Miscellaneous	8,071	9,710	6,500	3,210
Total Cash Receipts	<u>344,001</u>	<u>463,455</u>	<u>\$ 319,500</u>	<u>\$ 143,955</u>
Expenditures				
Personal Services	250,887	262,548	\$ 260,811	\$ 1,737
Contractual Services	67,333	70,762	61,900	8,862
Commodities	7,268	7,183	32,213	(25,030)
Capital Outlay	16,353	16,353	16,353	-
Reserve	-	-	40,000	(40,000)
Total Expenditures	<u>341,841</u>	<u>356,846</u>	<u>\$ 411,277</u>	<u>\$ (54,431)</u>
Receipts Over (Under) Expenditures	2,160	106,609		
Unencumbered Cash, Beginning	<u>200,918</u>	<u>203,078</u>		
Unencumbered Cash, Ending	<u>\$ 203,078</u>	<u>\$ 309,687</u>		

CITY OF MINNEAPOLIS, KANSAS

Schedule 3

Agency Funds
Schedule of Receipts and Disbursements (Regulatory Basis)
For the Year Ended December 31, 2017

<u>Funds</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Refuse Billing	\$ 7,127	\$ 1,137	\$ 8,239	\$ 24
Municipal Court	<u>1,398</u>	<u>12,249</u>	<u>2,243</u>	<u>11,404</u>
Total	<u>\$ 8,525</u>	<u>\$ 13,386</u>	<u>\$ 10,482</u>	<u>\$ 11,428</u>

CITY OF MINNEAPOLIS, KANSAS
Related Municipal Entity
Minneapolis Public Library

Schedule 4

Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
City of Minneapolis Appropriation	\$ 51,429	\$ 50,936
CKLS Grant	8,697	8,490
State Aid	637	604
Local Grants	6,985	-
Fines	1,819	1,290
Donations	1,810	2,252
Miscellaneous	2,775	1,456
Interest	314	334
Total Cash Receipts	<u>74,466</u>	<u>65,362</u>
Expenditures		
Salaries	34,748	36,071
Payroll Taxes	3,356	4,169
Retirement	2,748	2,687
Utilities	2,753	3,128
Insurance	100	100
Continuing Education	446	924
Audit	800	820
Advertising	432	381
Supplies	2,257	2,102
Books & Periodicals	10,933	11,572
Repairs and Maintenance	300	188
Miscellaneous	3,156	5,410
Services	315	322
Grants	6,406	5,195
Computer	2,651	2,178
Total Expenditures	<u>71,401</u>	<u>75,247</u>
Receipts Over (Under) Expenditures	3,065	(9,885)
Unencumbered Cash, Beginning	<u>32,606</u>	<u>35,671</u>
Unencumbered Cash, Ending	<u><u>\$ 35,671</u></u>	<u><u>\$ 25,786</u></u>

CITY OF MINNEAPOLIS, KANSAS
Related Municipal Entity
Minneapolis Recreation Commission

Schedule 4

Schedule of Receipts and Expenditures (Regulatory Basis)
For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year Actual	Current Year Actual
Cash Receipts		
City of Minneapolis	\$ 46,024	\$ 44,082
Interest	145	144
League Fees	3,320	4,182
Co-Ed Softball Fees	2,185	-
Sand Volleyball Fees	640	120
Total Cash Receipts	<u>52,314</u>	<u>48,528</u>
Expenditures		
Wages	8,000	8,000
Payroll Taxes	689	838
Additional Recreation Programs:		
Baseball	343	1,607
Basketball	-	51
Drama	2,000	2,052
Football	-	206
Sand Volleyball	1,249	8,059
Softball	245	1,340
T-Ball	-	27
Volleyball	373	64
Audit	735	1,240
Ballfield Expense	5,914	6,702
Restrooms	450	337
Summer Recreation Equipment	185	-
Insurance	500	500
League and Tourney Fees	2,035	2,920
Miscellaneous	287	253
Property Tax	50	-
Donation	-	1,000
Long-Term Improvements	18,292	-
Repairs and Maintenance	-	6,995
Refunds & Returned Checks	133	-
Professional Fees	2,400	1,756
Supplies	-	113
Tennis and Basketball Courts	501	495
T-Shirts	1,247	1,296
Umpire Pay	2,970	800
Total Expenditures	<u>48,598</u>	<u>46,651</u>
Receipts Over (Under) Expenditures	3,716	1,877
Unencumbered Cash, Beginning	<u>35,169</u>	<u>38,885</u>
Unencumbered Cash, Ending	<u>\$ 38,885</u>	<u>\$ 40,762</u>