

**CITY OF OGDEN
OGDEN, KANSAS**

**FINANCIAL STATEMENT
DECEMBER 31, 2017**

CITY OF OGDEN, KANSAS

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Ogden, Kansas

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2017, and the aggregate receipts and expenditures for the year then ended, in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

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


James Gordon & Associates CPA, P.A.

Manhattan, Kansas
February 9, 2018



Statement 1

CITY OF OGDEN, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances And Accounts Payable	Ending Cash Balance
General Funds:						
General Fund	\$ 383,280	\$ 654,703	\$ 660,981	\$ 377,002	\$ 33,912	\$ 410,914
Special Purpose Funds:						
Employee Benefit Fund	3,159	157,630	147,310	13,479	-	13,479
Special Highway Fund	33,068	60,720	50,644	43,144	1,182	44,326
Special Parks and Recreation Fund	49,368	8,117	18,152	39,333	-	39,333
Capital Improvement Fund	682,968	15,211	11,996	686,183	-	686,183
Bond and Interest Funds:						
Bond and Interest Fund	405,387	4,008,271	4,032,782	380,876	-	380,876
Bond and Interest Reserve Fund	210,610	-	60,000	150,610	-	150,610
Business Funds:						
Sewer System Revenue Fund	494,411	129,587	46,324	577,674	796	578,470
Water System Revenue Fund	305,162	240,790	178,628	367,324	3,508	370,832
Total	<u>\$ 2,567,413</u>	<u>\$ 5,275,029</u>	<u>\$ 5,206,817</u>	<u>\$ 2,635,625</u>	<u>\$ 39,398</u>	<u>\$ 2,675,023</u>

Composition of Cash:

Checking account	\$ 172,364
Petty cash	196
Savings	44,382
CDARS	700,000
Insured cash sweep account	<u>1,758,081</u>
Total	<u>\$ 2,675,023</u>

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

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Ogden, Kansas (the City), is a municipal corporation governed by an elected five-member council plus a mayor. This regulatory financial statement presents the City. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. Such legally separate entities are referred to as component units. The primary government financial statement referred to above do not include the component units of the City.

Regulatory Basis Fund Types

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the City for the year 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 funds – Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources that are intended for specified purposes.

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

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

Business funds – 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.)

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 1 - Summary of Significant Accounting Policies (continued)

Basis of Accounting

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

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use regulatory basis of accounting.

Reimbursed Expenses

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

Note 2 – Budgetary Information

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

1. Preparation of budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 2 – Budgetary Information (continued)

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 amendments to the 2017 budget.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: Special Highway fund and Special Parks and Recreation fund.

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

Note 3 - Deposits and Investments

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 and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 (d) (1) requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 3 - Deposits and Investments (continued)

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the Government'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 did not have a peak period pledge agreement during 2017, and therefore the City did not designate peak periods. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the carrying amount of the City's deposits including certificates of deposit was \$2,675,023 and the bank balance was \$2,683,237. The bank balance was held at one bank resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank 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 Government 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 4 – Compliance, Stewardship and Accountability

There were no materially significant statutory violations noted during the audit of the December 31, 2017 financial statement.

Note 5 - Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

CITY OF OGDEN, KANSAS

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 6 - Long-Term Debt (continued)

On October 11, 2017, the City issued \$3,415,000 in general obligation refunding and improvement bonds-Series 2017, with a variable interest rate of 2.0% to 3.0% to advance refund the Series 2009-A general obligation bonds with maturity dates of 2018-2029, in the amount of \$1,405,000 and the Series 2010-A general obligation bonds with maturity dates of 2017-2030 in the amount of \$165,000, to current refund the Series 2008-A general obligation bonds with dates of 2018-2028 in the amount of \$695,000, and retire the Kansas Department of Transportation (KDOT) Loan 0053 with maturity dates of 2018-2027 in the amount of \$852,954 and KDOT Loan 0069 with maturity dates of 2018-2027 in the amount of \$243,937. The Series 2017 bonds mature on October 1, 2029, and will be subject to optional redemption for bonds maturing on October 1, 2025 and thereafter.

The Series 2017 bonds were issued at a premium, and after paying issuance costs of \$62,332, the net proceeds were \$3,500,005. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. Government Securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the terms bonds are called. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the City's financial statement on October 11, 2017.

As a result of the advance and current refunding and KDOT Loan retirement, the City reduced its total debt service requirements by \$362,641. The economic gain to the City (difference between the present value of the debt service payments on the old and new debt) was \$317,113.

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 6 - Long-Term Debt (continued)

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest and Service Fee Paid
General Obligation Bonds:									
Series 2002	5.10%	06/15/02	201,500	12/01/17	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 1,020
Series C, 2003	4.60%	10/15/03	268,000	12/01/18	50,000	-	25,000	25,000	2,300
Series A, 2005	4.25%	08/15/05	213,000	12/01/20	75,000	-	15,000	60,000	3,165
Series A, 2008	3.6% - 4.85%	05/15/08	1,060,000	10/01/28	745,000	-	745,000	-	33,788
Series A, 2009	4.0% - 4.75%	07/15/09	1,960,000	10/01/29	1,490,000	-	1,490,000	-	68,595
Series 2010	4.0% - 5.35%	07/15/10	210,000	12/01/30	165,000	-	165,000	-	4,144
Series 2017 Refunding	2.0%-3.0%	10/11/17	3,415,000	10/01/29	-	3,415,000	-	3,415,000	-
Other:									
KDOT TFR 0053	3.59%	03/07/07	1,348,799	08/01/27	922,850	-	922,850	-	39,255
KDOT TFR 0069	3.85%	12/05/07	382,543	08/01/27	263,638	-	263,638	-	12,028
KDHE Loan C20 1711-01	2.58%	10/13/05	1,525,279	09/01/30	1,052,655	-	66,102	986,553	26,735
					<u>\$ 4,784,143</u>	<u>\$ 3,415,000</u>	<u>\$ 3,712,590</u>	<u>\$ 4,486,553</u>	<u>\$ 191,030</u>

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 6 - Long-Term Debt (continued)

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023 - 2027</u>	<u>2028 - 2030</u>	<u>Total</u>
Principal								
Series C, 2003	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Series A, 2005	20,000	20,000	20,000	-	-	-	-	60,000
Series 2017 Refunding	280,000	275,000	285,000	290,000	295,000	1,630,000	360,000	3,415,000
KDHE Loan C20 1711-01	67,819	69,580	71,387	73,240	75,142	406,011	223,374	986,553
	<u>392,819</u>	<u>364,580</u>	<u>376,387</u>	<u>363,240</u>	<u>370,142</u>	<u>2,036,011</u>	<u>583,374</u>	<u>4,486,553</u>
Interest								
Series C, 2003	1,150	-	-	-	-	-	-	1,150
Series A, 2005	2,550	1,700	850	-	-	-	-	5,100
Series 2017 Refunding	81,263	77,985	72,485	66,785	60,260	186,400	14,560	559,738
KDHE Loan C20 1711-01	25,018	23,257	21,450	19,597	17,695	58,175	8,719	173,911
	<u>109,981</u>	<u>102,942</u>	<u>94,785</u>	<u>86,382</u>	<u>77,955</u>	<u>244,575</u>	<u>23,279</u>	<u>739,899</u>
	<u>\$ 502,800</u>	<u>\$ 467,522</u>	<u>\$ 471,172</u>	<u>\$ 449,622</u>	<u>\$ 448,097</u>	<u>\$ 2,280,586</u>	<u>\$ 606,653</u>	<u>\$ 5,226,452</u>

CITY OF OGDEN, KANSAS

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 7 - Interfund Transactions

The following operating transfers have been authorized for the year 2017:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Authority</u>
Bond and Interest Reserve Fund	Bond and Interest Fund	\$ 60,000	KSA 12-825d
General Fund	Employee Benefit Fund	20,500	KSA-44-505f
Sewer Fund	Bond and Interest Fund	20,000	KSA 12-825d

Note 8 – Other Long-Term Obligations from Operations

Compensated Absences

Expenses for accumulated vacation and sick leave earned by the employees are recorded when paid or taken by the employees. Full-time employees are entitled to ten days paid vacation leave after one year, fifteen days of vacation per year after they have been employed five years and twenty days of vacation per year after they have been employed ten years or more. Part-time employees who work at least 20 hours per week earn vacation leave of five days per year.

Upon termination, an employee will be compensated for earned but unused vacation leave at their final rate of pay up to the maximum hours per the City's policy. The limit on the accumulation of vacation leave is 160, 240 and 320 hours for years of continuous employment of one to four, five to nine and ten plus, respectively. Full-time employees earn ten hours of sick leave for each full month of service. Part-time employees, who are employed to work not less than 20 hours per week, receive five hours of sick leave for each month of employment. Sick leave may accrue indefinitely with no limit set. Upon termination, an employee shall be compensated for twenty-five percent (25%) of earned but unused sick leave, at their final rate of pay. As of December 31, 2017, the accumulated vacation and sick leave due was \$32,358.

Note 9 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

CITY OF OGDEN, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2017

Note 9 - Risk Management, (continued)

The City pays an annual premium to Kansas Municipal Insurance Trust for its worker's compensation and employer's liability insurance coverage. The agreement to participate provides that the Municipalities will be self-sustaining through member premiums. Additional premiums may be due if total claims for the pool are different than what has been anticipated by pool administrator.

The City continues to carry commercial insurance for all other risks of loss, including general liability, crime, inland marine, errors and omissions, business auto, and property. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10 - Defined Benefit Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the City were \$35,886 for the year ended December 31, 2017.

CITY OF OGDEN, KANSAS

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2017**

Note 10 - Defined Benefit Pension Plan (continued)

At December 31, 2017, the City's proportionate share of the collective net pension liability reported by KPERS was \$329,538. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in 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 publicly available on the website at www.kpers.org or can be obtained as described above.

Note 11 – Evaluation of Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report which is the date the financial statement was available for issue.

Regulatory-Required Supplementary Information

SCHEDULE 1

**CITY OF OGDEN, KANSAS
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Funds:					
General Fund	\$ 959,915	\$ -	\$ 959,915	\$ 660,981	\$ (298,934)
Special Purpose Funds:					
Employee Benefit Fund	151,175	-	151,175	147,310	(3,865)
Special Highway Fund	81,225	-	81,225	50,644	(30,581)
Special Parks and Recreation Fund	63,662	-	63,662	18,152	(45,510)
Bond and Interest Funds:					
Bond and Interest Fund	546,881	3,500,005	4,046,886	4,032,782	(14,104)
Business Funds:					
Sewer System Revenue Fund	614,447	-	614,447	46,324	(568,123)
Water System Revenue Fund	455,783	-	455,783	178,628	(277,155)

CITY OF OGDEN, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 197,873	\$ 210,247	\$ (12,374)
Delinquent tax	9,359	-	9,359
Motor vehicle tax	19,453	18,538	915
Local compensating tax	31,124	30,000	1,124
Sales tax	235,642	240,000	(4,358)
Liquor tax	3,203	2,181	1,022
Utility franchise	92,192	100,000	(7,808)
Dog tags	468	600	(132)
Fees & permits	6,034	6,000	34
Swimming pool fees	3,929	4,000	(71)
Miscellaneous	1,984	2,500	(516)
Weed special assessment	11,584	-	11,584
Police fines	20,084	25,000	(4,916)
Interest on idle money	13,815	8,000	5,815
Recreational vehicle tax	173	149	24
16/20 M vehicle tax	79	26	53
Watercraft tax	128	126	2
Community center	8,239	7,000	1,239
Community center - deposits	(660)	-	(660)
	<u>654,703</u>	<u>\$ 654,367</u>	<u>\$ 336</u>
Total Receipts			
Expenditures			
General			
Personnel services	247,439	\$ 237,000	\$ 10,439
Contractual services	140,764	140,000	764
Commodities	63,991	88,000	(24,009)
Administrative and miscellaneous	-	25,000	(25,000)
Capital outlay	-	25,000	(25,000)
	<u>452,194</u>	<u>515,000</u>	<u>(62,806)</u>
Total General			

See independent auditor's report on regulatory-required supplementary information.

**CITY OF OGDEN, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Expenditures (continued)			
General Court			
Personnel services	\$ 15,762	\$ 16,130	\$ (368)
Contractual services	18,393	20,000	(1,607)
Commodities	1,456	550	906
Total General Court	<u>35,611</u>	<u>36,680</u>	<u>(1,069)</u>
Swimming Pool			
Personnel services	12,942	16,390	(3,448)
Contractual services	3,679	4,000	(321)
Commodities	10,423	13,000	(2,577)
Total Swimming Pool	<u>27,044</u>	<u>33,390</u>	<u>(6,346)</u>
Park			
Contractual services	1,960	5,000	(3,040)
Commodities	180	2,600	(2,420)
Capital outlay	-	3,000	(3,000)
Total Park	<u>2,140</u>	<u>10,600</u>	<u>(8,460)</u>
Community Center			
Personnel services	52,795	51,850	945
Contractual services	25,289	18,000	7,289
Commodities	7,607	15,000	(7,393)
Capital outlay	-	5,000	(5,000)
Total Community Center	<u>85,691</u>	<u>89,850</u>	<u>(4,159)</u>
Library			
Personnel services	15,246	14,850	396
Contractual services	518	120	398
Commodities	856	2,000	(1,144)
Total Library	<u>16,620</u>	<u>16,970</u>	<u>(350)</u>

See independent auditor's report on regulatory-required supplementary information.

CITY OF OGDEN, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Expenditures (continued)			
Other			
Street lighting	\$ 21,181	\$ 18,000	\$ 3,181
Business incentive grant	-	10,000	(10,000)
Transfer to Employee Benefit Fund	20,500	20,500	-
Capital outlay	-	206,000	(206,000)
Miscellaneous	-	2,925	(2,925)
Adjustment for qualifying budget credits	-	-	-
Total Other Expenditures	<u>41,681</u>	<u>257,425</u>	<u>(215,744)</u>
Total Expenditures	<u>660,981</u>	<u>\$ 959,915</u>	<u>\$ (298,934)</u>
Receipts Over (Under) Expenditures	(6,278)		
Unencumbered Cash, Beginning	<u>383,280</u>		
Unencumbered Cash, Ending	<u>\$ 377,002</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF OGDEN, KANSAS
EMPLOYEE BENEFIT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 117,181	\$ 124,565	\$ (7,384)
Delinquent tax	6,336	-	6,336
Motor vehicle tax	13,341	11,849	1,492
Recreational vehicle tax	120	95	25
16/20 M vehicle tax	70	17	53
Watercraft tax	82	81	1
Transfer from General Fund	20,500	20,500	-
	<u>157,630</u>	<u>\$ 157,107</u>	<u>\$ 523</u>
Total Receipts	<u>157,630</u>	<u>\$ 157,107</u>	<u>\$ 523</u>
Expenditures			
Payroll taxes	35,848	\$ 38,900	\$ (3,052)
Retirement contributions	35,886	44,300	(8,414)
Health insurance	59,148	49,550	9,598
State unemployment	455	475	(20)
Workmans' compensation	15,973	17,950	(1,977)
	<u>147,310</u>	<u>\$ 151,175</u>	<u>\$ (3,865)</u>
Total Expenditures	<u>147,310</u>	<u>\$ 151,175</u>	<u>\$ (3,865)</u>
Excess (Deficit) Revenues Over Expenditures	10,320		
Unencumbered Cash, Beginning	<u>3,159</u>		
Unencumbered Cash, Ending	<u>\$ 13,479</u>		

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CITY OF OGDEN, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
County transfers - gas	\$ 5,306	\$ 5,330	\$ (24)
State of Kansas gas tax	54,979	55,490	(511)
Reimbursed expenses	435	-	435
	<u>60,720</u>	<u>\$ 60,820</u>	<u>\$ (100)</u>
Total Receipts			
Expenditures			
Contractual services	8,177	\$ -	\$ 8,177
Commodities (street repair)	42,467	81,225	(38,758)
	<u>50,644</u>	<u>\$ 81,225</u>	<u>\$ (30,581)</u>
Total Expenditures			
Excess (Deficit) Revenues Over Expenditures	10,076		
Unencumbered Cash, Beginning	<u>33,068</u>		
Unencumbered Cash, Ending	<u>\$ 43,144</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF OGDEN, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Liquor tax	\$ 2,017	\$ 2,181	\$ (164)
Rents and fees	5,905	13,000	(7,095)
Sports deposit	195	-	195
	<u>8,117</u>	<u>15,181</u>	<u>(7,064)</u>
Total Receipts			
	<u>8,117</u>	<u>\$ 15,181</u>	<u>\$ (7,064)</u>
Expenditures			
Personnel services	14,434	\$ 15,450	\$ (1,016)
Contractual services	960	2,500	(1,540)
Commodities	2,758	8,000	(5,242)
Capital outlay	-	37,712	(37,712)
	<u>18,152</u>	<u>\$ 63,662</u>	<u>\$ (45,510)</u>
Total Expenditures			
	<u>18,152</u>	<u>\$ 63,662</u>	<u>\$ (45,510)</u>
Excess (Deficit) Revenues Over Expenditures	(10,035)		
Unencumbered Cash, Beginning	<u>49,368</u>		
Unencumbered Cash, Ending	<u>\$ 39,333</u>		

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CITY OF OGDEN, KANSAS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>
Receipts	
Miscellaneous	<u>\$ 15,211</u>
Total Receipts	<u>15,211</u>
Expenditures	
Capital outlay	<u>11,996</u>
Total Expenditures	<u>11,996</u>
Excess (Deficit) Revenues	
Over Expenditures	3,215
Unencumbered Cash, Beginning	<u>682,968</u>
Unencumbered Cash, Ending	<u><u>\$ 686,183</u></u>

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**CITY OF OGDEN, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Revenues			
Ad valorem tax	\$ 37,138	\$ 39,485	\$ (2,347)
Delinquent tax	1,987	-	1,987
Motor vehicle tax	4,262	3,893	369
Recreational vehicle tax	38	31	7
16/20 M vehicle tax	20	6	14
Special assessments	384,794	367,388	17,406
Watercraft tax	27	27	-
Transfer from Sewer fund	20,000	136,500	(116,500)
Transfer from Water fund	-	10,000	(10,000)
Transfer from Capital Improvement fund	-	10,000	(10,000)
Transfer from Bond and Interest Reserve fund	60,000	60,000	-
Delinquent assessments	-	(320,000)	320,000
Bond proceeds	3,415,000	-	3,415,000
Bond premium	85,005	-	85,005
	<u>4,008,271</u>	<u>\$ 307,330</u>	<u>\$ 3,700,941</u>
Expenditures			
Principal payments	350,699	\$ 360,699	\$ (10,000)
Interest payments	185,473	186,162	(689)
Fees	5,557	20	5,537
Bond refunding principal	3,361,891	-	3,361,891
Bond refunding interest	66,830	-	66,830
Cost of issuance	62,332	-	62,332
Adjustment for qualifying budget credits	-	3,500,005	(3,500,005)
	<u>4,032,782</u>	<u>\$ 4,046,886</u>	<u>\$ (14,104)</u>
Excess (Deficit) Revenues Over Expenditures	(24,511)		
Unencumbered Cash, Beginning	<u>405,387</u>		
Unencumbered Cash, Ending	<u>\$ 380,876</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF OGDEN, KANSAS
BOND AND INTEREST RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>
Receipts	
Miscellaneous	\$ -
Total Receipts	<u>-</u>
Expenditures	
Transfer to Bond and Interest fund	<u>60,000</u>
Total Expenditures	<u>60,000</u>
Excess (Deficit) Revenues	
Over Expenditures	(60,000)
Unencumbered Cash, Beginning	<u>210,610</u>
Unencumbered Cash, Ending	<u><u>\$ 150,610</u></u>

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CITY OF OGDEN, KANSAS
SEWER SYSTEM REVENUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Sales/charges	\$ 129,587	\$ 138,500	\$ (8,913)
Total Receipts	<u>129,587</u>	<u>\$ 138,500</u>	<u>\$ (8,913)</u>
Expenditures			
Contractual services	12,731	\$ 24,000	\$ (11,269)
Commodities	13,593	15,000	(1,407)
Capital outlay	-	438,947	(438,947)
Transfer to Bond and Interest fund	<u>20,000</u>	<u>136,500</u>	<u>(116,500)</u>
Total Expenditures	<u>46,324</u>	<u>\$ 614,447</u>	<u>\$ (568,123)</u>
Excess (Deficit) Revenues Over Expenditures	83,263		
Unencumbered Cash, Beginning	<u>494,411</u>		
Unencumbered Cash, Ending	<u>\$ 577,674</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF OGDEN, KANSAS
WATER SYSTEM REVENUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Sales tax and water protection	\$ 1,935	\$ 1,900	\$ 35
Sales/charges	209,630	210,000	(370)
Tower rental	23,923	20,000	3,923
Late charges	5,302	5,000	302
Total Receipts	<u>240,790</u>	<u>\$ 236,900</u>	<u>\$ 3,890</u>
Expenditures			
Personnel Services	98,878	\$ 100,800	\$ (1,922)
Contractual Services	42,460	45,000	(2,540)
Commodities	33,332	35,000	(1,668)
Sales Tax and Protection Fees	3,958	4,000	(42)
Capital Outlay	-	260,983	(260,983)
Transfer to Bond and Interest fund	-	10,000	(10,000)
Total Expenditures	<u>178,628</u>	<u>\$ 455,783</u>	<u>\$ (277,155)</u>
Excess (Deficit) Revenues Over Expenditures	62,162		
Unencumbered Cash, Beginning	<u>305,162</u>		
Unencumbered Cash, Ending	<u>\$ 367,324</u>		

See independent auditor's report on regulatory-required supplementary information.