

CITY OF PEABODY

PEABODY, KANSAS

Financial Statement

For the Year Ended December 31, 2017

City of Peabody, Kansas  
For the Year Ended December 31, 2017

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# Knudsen Monroe & Company LLC

## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Peabody  
Peabody, Kansas 66866

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Peabody, Kansas (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.

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on 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 City'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 City'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.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the 2017 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, but 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 2017 basic financial statement. The 2017 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 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Peabody, Kansas as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated June 26, 2017, which contained an unmodified opinion on the basic financial statement. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form on the web site of the Kansas Department of Administration, at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2016 actual column (2016 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2017 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information 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. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note 1.

*Knudsen, Monroe & Company, LLC*

Certified Public Accountants  
Newton, Kansas

July 9, 2018

## City of Peabody

## SUMMARY OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

## Regulatory Basis

For the Year Ended December 31, 2017

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Balance	Add Accounts Payable and Encumbrances	Ending Cash Balance
<b>General Fund:</b>	\$ 115,388	530,136	605,677	39,847	17,093	56,940
<b>Special Purpose Funds:</b>						
Special Equipment (Law & Fire)	5,845	15,875	1,000	20,720	-	20,720
Special Highway	93,996	108,626	11,975	190,647	-	190,647
Special Park & Recreation	1,745	2,172	2,058	1,859	-	1,859
Municipal Equipment	80,346	70,100	102,755	47,691	10,313	58,004
Capital Improvement	1,033	30,000	24,081	6,952	-	6,952
Police DARE	924	1	-	925	-	925
Police Diversion	14,307	6,896	7,272	13,931	-	13,931
Drug Forfeiture	1,190	-	8	1,182	-	1,182
Lighting	368	1,465	1,205	628	-	628
Total Special Purpose Funds	199,754	235,135	150,354	284,535	10,313	294,848
<b>Bond and Interest Fund:</b>	4,999	121,895	104,745	22,149	-	22,149
<b>Business Funds:</b>						
Water Operating	16,243	280,174	277,696	18,721	13,885	32,606
Sewer Operating	50,638	203,005	218,605	35,038	2,074	37,112
Sewer Replacement	31,850	42,719	-	74,569	-	74,569
Refuse Operating	9,392	72,689	73,512	8,569	287	8,856
Total Business Funds	108,123	598,587	569,813	136,897	16,246	153,143
<b>Trust Fund:</b>						
Hart trust	-	8,242	-	8,242	-	8,242
<b>Total Financial Reporting Entity</b>	<u>\$ 428,264</u>	<u>1,493,995</u>	<u>1,430,589</u>	<u>491,670</u>	<u>43,652</u>	<u>535,322</u>
<b>Composition of Cash:</b>						
Cash on hand						\$ 150
Cash in bank, Peabody State Bank, Clerk account						200
Cash in bank, Peabody State Bank, Checking						2,885
Cash in bank, Peabody State Bank, Money Market						507,950
Cash in bank, Peabody State Bank, Police Drug Tax Stamp						289
Cash in bank, Peabody State Bank, DARE savings						1,275
Cash in bank, Peabody State Bank, Certificates of Deposit						<u>22,573</u>
Total Financial Reporting Entity						<u>\$ 535,322</u>

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

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of Peabody is a municipal corporation governed by an elected five-member council. The financial statement presents the City of Peabody (City) as the only component unit.

In addition to the primary government, the local housing authority, Indian Guide Terrace, which operates the City's housing projects, qualifies as a related municipal entity of the City. Their financial activities are not, however, included in the accompanying financial statement.

Regulatory Basis Fund Types

General Fund – used to account for all resources except those required to be accounted for in another fund.

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

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.

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

Business Fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, sewer fund, etc.).

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

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United State 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.

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 for 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 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year 2017.

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, trust funds, business fund reserve accounts, and certain special purpose funds as noted in the presentation of the appropriate Schedule 2.

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.

Reimbursements

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

Reclassifications

Certain reclassifications have been made to the 2016 financial statement presentation to correspond to the current year's format. Total unencumbered cash is unchanged due to the reclassifications.

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

K.S.A. 10-130 requires municipalities to remit payments for any bonds or interest to the state fiscal agent at least twenty days before the date of maturity. Two of the general obligation bond payments were not made timely in accordance with this statute.

K.S.A. 12-1608 requires third class cities to publish an annual financial statement showing, by fund, beginning and ending balances, receipts, and expenditures, along with obligation/liability information. The City failed to publish this annual treasurer's report for the year ended December 31, 2017.

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, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

Concentration of credit risk

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

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 peak periods. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the carrying amount of the City's deposits was \$535,172 and the bank balance was \$594,139. The balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining \$344,139 was collateralized with securities held by the pledging financial institution's agents in the City's name.



City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

4. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Municipal Equipment	K.S.A. 12-1,118	\$ 35,100
Water Operating	Municipal Equipment	K.S.A. 12-825d	30,000
Refuse Operating	Municipal Equipment	K.S.A. 12-825d	5,000
Sewer Operating	Capital Improvement	K.S.A. 12-825d	30,000
Sewer Operating	Sewer Replacement Reserve	K.S.A. 12-631o	40,000
Total			<u>\$ 140,100</u>

5. LONG-TERM DEBT

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

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturity Date</u>	<u>Balance 12/31/16</u>	<u>Additions</u>	<u>Retired/ Refunded</u>	<u>Balance 12/31/17</u>	<u>Interest Paid</u>
General Obligation Bonds:									
Series A 2009	3.00-6.00%	12/08/09	\$ 200,000	10/01/20	\$ 95,000	-	20,000	75,000	6,363
Series 2015	0.50-4.125%	12/01/15	1,215,000	08/01/45	<u>1,205,000</u>	-	<u>40,000</u>	<u>1,165,000</u>	<u>26,288</u>
Total contractual indebtedness					<u>\$ 1,300,000</u>	-	<u>60,000</u>	<u>1,240,000</u>	<u>32,651</u>

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

	Year ending December 31										<u>Total</u>
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023 - 2027</u>	<u>2028 - 2032</u>	<u>2033 - 2037</u>	<u>2038 - 2042</u>	<u>2043 - 2045</u>	
<b>Principal</b>											
General Obligation Bonds	\$ 55,000	55,000	55,000	30,000	35,000	175,000	205,000	240,000	245,000	145,000	1,240,000
<b>Interest</b>											
General Obligation Bonds	<u>43,395</u>	<u>41,720</u>	<u>39,908</u>	<u>37,957</u>	<u>37,433</u>	<u>175,262</u>	<u>148,432</u>	<u>109,830</u>	<u>57,956</u>	<u>11,756</u>	<u>703,649</u>
Total principal and interest	<u>\$ 98,395</u>	<u>96,720</u>	<u>94,908</u>	<u>67,957</u>	<u>72,433</u>	<u>350,262</u>	<u>353,432</u>	<u>349,830</u>	<u>302,956</u>	<u>156,756</u>	<u>1,943,649</u>

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

6. 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](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603-3803) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of an 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 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 \$25,867, for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, the City's proportionate share of the collective net pension liability reported by KPERS was \$252,104. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer 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 [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Employee Benefits

Full-time employees earn two weeks of paid vacation upon completion of one year of employment through ten years of service. After ten years of service, employees earn three weeks of paid vacation per year. Unused vacation pay is paid to employees upon termination. Unused vacation time has not been recorded as a liability in the accompanying financial statement.

Full-time employees receive 10 days of paid time off each year. This is in lieu of paid sick time. Any paid time off not used by the end of the year is paid to the employee at the rate of ½ day for each 1 day of paid time off remaining.

8. CLAIMS AND JUDGMENTS

The City is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries; and natural disasters. The City has purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2016 to 2017 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

9. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2017, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through July 9, 2018, which is the date at which the financial statement was available to be issued.

CITY OF PEABODY  
REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2017

## City of Peabody, Kansas

## SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2017

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
General Fund	\$ 686,740	-	686,740	605,677	(81,063)
Special Purpose Funds					
Special Equipment (Law & Fire)	16,000	-	16,000	1,000	(15,000)
Special Highway	214,000	-	214,000	11,975	(202,025)
Special Park and Recreation	3,700	-	3,700	2,058	(1,642)
Bond and Interest Fund	104,746	-	104,746	104,745	(1)
Business Funds					
Water Operating	312,000	-	312,000	277,696	(34,304)
Sewer Operating	234,000	-	234,000	218,605	(15,395)
Refuse Operating	<u>75,200</u>	<u>-</u>	<u>75,200</u>	<u>73,512</u>	<u>(1,688)</u>
Expenditures subject to current budget	<u>\$1,646,386</u>	<u>-</u>	<u>1,646,386</u>	<u>1,295,268</u>	<u>(351,118)</u>

## City of Peabody, Kansas

**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)

		2017		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
RECEIPTS				
Ad valorem property tax	\$ 318,163	199,932	213,830	(13,898)
Delinquent tax	12,782	16,969	15,000	1,969
Motor Vehicle tax	44,006	45,623	42,846	2,777
Liquor tax	2,276	2,172	2,200	(28)
Franchise tax	68,806	67,321	72,000	(4,679)
Licenses and permits	4,812	24,751	8,000	16,751
County sales tax	74,053	71,319	73,000	(1,681)
Highway connecting links	557	557	557	-
Fines	55,755	55,782	50,000	5,782
Interest on investments	30	58	10	48
Pool receipts	5,684	8,154	10,000	(1,846)
Reimbursements	23,327	25,658	46,000	(20,342)
Miscellaneous	10,464	11,840	-	11,840
	620,715	530,136	533,443	(3,307)
EXPENDITURES, page 12	605,121	605,677		
Receipts over (under) expenditures	15,594	(75,541)		
UNENCUMBERED CASH, Beginning	99,794	115,388		
UNENCUMBERED CASH, Ending	\$ 115,388	39,847		

## City of Peabody, Kansas

**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)

		2017		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
EXPENDITURES				
General Government				
Personnel services	\$ 75,298	64,609	51,000	13,609
Contractual services	60,081	66,146	59,500	6,646
Commodities	2,588	4,660	-	4,660
Reimbursed expenses	12,907	15,345	15,000	345
Capital outlay	50	-	3,000	(3,000)
	150,924	150,760	128,500	22,260
Street				
Contractual services	34	22	1,500	(1,478)
Commodities	7,946	19	8,500	(8,481)
	7,980	41	10,000	(9,959)
Police				
Personnel services	178,403	188,931	210,890	(21,959)
Contractual services	20,334	21,419	23,625	(2,206)
Commodities	22,186	27,152	30,750	(3,598)
Capital outlay	660	565	-	565
	221,583	238,067	265,265	(27,198)
Municipal Court				
Personnel services	33,268	47,602	53,475	(5,873)
Contractual services	15,278	17,624	18,950	(1,326)
Commodities	1,420	1,074	850	224
	49,966	66,300	73,275	(6,975)
Fire				
Personnel services	1,813	1,409	1,900	(491)
Contractual services	5,107	3,769	2,800	969
Commodities	1,174	479	1,200	(721)
	8,094	5,657	5,900	(243)
Park				
Personnel services	7,467	8,215	11,000	(2,785)
Contractual services	4,279	3,405	6,500	(3,095)
Commodities	9,559	5,795	4,800	995
Capital outlay	-	3,000	-	3,000
	21,305	20,415	22,300	(1,885)
Swimming Pool				
Personnel services	13,419	16,680	17,000	(320)
Contractual services	14,810	7,441	3,500	3,941
Commodities	4,582	9,027	7,000	2,027
Capital outlay	-	-	2,000	(2,000)
	32,811	33,148	29,500	3,648
Economic Development				
Personnel services	-	3,450	35,000	(31,550)
Contractual services	-	7,000	-	7,000
Capital outlay	1,483	-	10,000	(10,000)
	1,483	10,450	45,000	(34,550)
Utilities	47,475	45,739	47,000	(1,261)
Transfer to Capital Improvement	-	-	40,000	(40,000)
Transfer to Municipal Equipment	63,500	35,100	20,000	15,100
	63,500	35,100	60,000	(24,900)
TOTAL EXPENDITURES	\$ 605,121	605,677	686,740	(81,063)

## City of Peabody, Kansas

**Special Purpose Funds****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)

		2017		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
<u>SPECIAL EQUIPMENT (LAW AND FIRE)</u>				
RECEIPTS				
Ad valorem property tax	\$ 4,425	15,026	16,069	(1,043)
Delinquent tax	168	224	100	124
Motor vehicle tax	565	625	596	29
	<u>5,158</u>	<u>15,875</u>	<u>16,765</u>	<u>(890)</u>
EXPENDITURES				
Contractual services	1,550	-	-	-
Capital outlay	1,000	1,000	16,000	(15,000)
	<u>2,550</u>	<u>1,000</u>	<u>16,000</u>	<u>(15,000)</u>
Receipts over expenditures	2,608	14,875		
Unencumbered Cash, Beginning	3,237	5,845		
Unencumbered Cash, Ending	<u>\$ 5,845</u>	<u>20,720</u>		
<u>SPECIAL HIGHWAY</u>				
RECEIPTS				
State payments-gasoline tax	\$ 30,510	30,447	30,000	447
City sales tax	85,170	78,179	76,000	2,179
	<u>115,680</u>	<u>108,626</u>	<u>106,000</u>	<u>2,626</u>
EXPENDITURES				
Contractual services	203,632	1,440	200,000	(198,560)
Commodities	54	10,535	12,000	(1,465)
Capital outlay	-	-	2,000	(2,000)
	<u>203,686</u>	<u>11,975</u>	<u>214,000</u>	<u>(202,025)</u>
Receipts over (under) expenditures	(88,006)	96,651		
Unencumbered Cash, Beginning	182,002	93,996		
Unencumbered Cash, Ending	<u>\$ 93,996</u>	<u>190,647</u>		



## City of Peabody, Kansas

**Special Purpose Funds**

**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)

		2017		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
<u><b>SPECIAL PARK AND RECREATION</b></u>				
<b>RECEIPTS</b>				
Liquor tax	\$ 2,276	2,172	2,200	(28)
Other	-	-	600	(600)
	<u>2,276</u>	<u>2,172</u>	<u>2,800</u>	<u>(628)</u>
<b>EXPENDITURES</b>				
Commodities	392	-	200	(200)
Capital outlay	<u>1,323</u>	<u>2,058</u>	<u>3,500</u>	<u>(1,442)</u>
	<u>1,715</u>	<u>2,058</u>	<u>3,700</u>	<u>(1,642)</u>
Receipts over expenditures	561	114		
Unencumbered Cash, Beginning	<u>1,184</u>	<u>1,745</u>		
Unencumbered Cash, Ending	<u>\$ 1,745</u>	<u>1,859</u>		

## City of Peabody, Kansas

**Special Purpose Funds**

**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)

		<u>2017</u>		
	<u>Prior Year</u>	<u>Actual</u>	<u>Budget</u>	Variance - Over (Under)
<b><u>MUNICIPAL EQUIPMENT</u></b>				
RECEIPTS				
Transfer from General	\$ 63,500	35,100		
Transfer from Water Operating	-	30,000		
Transfer from Sewer Operating	25,000	-		
Transfer from Refuse Operating	<u>5,000</u>	<u>5,000</u>		
	93,500	70,100		
EXPENDITURES				
Capital outlay	<u>13,154</u>	<u>102,755</u>	NOT APPLICABLE	
Receipts over (under) expenditures	80,346	(32,655)		
Unencumbered Cash, Beginning	<u>-</u>	<u>80,346</u>		
Unencumbered Cash, Ending	<u>\$ 80,346</u>	<u>47,691</u>		
<b><u>CAPITAL IMPROVEMENT</u></b>				
RECEIPTS				
Transfer from Sewer Operating	\$ 10,000	30,000		
	<u>10,000</u>	<u>30,000</u>		
EXPENDITURES				
Capital outlay	<u>10,162</u>	<u>24,081</u>	NOT APPLICABLE	
Receipts over (under) expenditures	(162)	5,919		
Unencumbered Cash, Beginning	<u>1,195</u>	<u>1,033</u>		
Unencumbered Cash, Ending	<u>\$ 1,033</u>	<u>6,952</u>		

## City of Peabody, Kansas

**Special Purpose Funds**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)

		2017		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
<b><u>POLICE DARE</u></b>				
RECEIPTS				
Other	\$ 1	1		
EXPENDITURES	-	-	NOT APPLICABLE	
Receipts over expenditures	1	1		
Unencumbered Cash, Beginning	923	924		
Unencumbered Cash, Ending	<u>\$ 924</u>	<u>925</u>		
 <b><u>POLICE DIVERSION</u></b>				
RECEIPTS				
Diversion fees	\$ 7,530	6,896		
EXPENDITURES				
Capital Outlay	4,822	7,272	NOT APPLICABLE	
Receipts over (under) expenditures	2,708	(376)		
Unencumbered Cash, Beginning	11,599	14,307		
Unencumbered Cash, Ending	<u>\$ 14,307</u>	<u>13,931</u>		

## City of Peabody, Kansas

**Special Purpose Funds**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)

		2017		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
<b><u>DRUG FORFEITURE</u></b>				
RECEIPTS	\$ -	-		
EXPENDITURES	-	8	NOT APPLICABLE	
Receipts over (under) expenditures	-	(8)		
Unencumbered Cash, Beginning	1,190	1,190		
Unencumbered Cash, Ending	<u>\$ 1,190</u>	<u>1,182</u>		
 <b><u>LIGHTING</u></b>				
RECEIPTS	\$ 1,436	1,465		
EXPENDITURES				
Commodities	2,611	-		
Reimbursed expenses	-	1,205	NOT APPLICABLE	
	<u>2,611</u>	<u>1,205</u>		
Receipts over (under) expenditures	(1,175)	260		
Unencumbered Cash, Beginning	<u>1,543</u>	<u>368</u>		
Unencumbered Cash, Ending	<u>\$ 368</u>	<u>628</u>		

## City of Peabody, Kansas

**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)

		2017		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>BOND AND INTEREST</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ -	121,871	130,342	(8,471)
Interest on investments	-	24	-	24
Transfer from Sewer Operating	25,000	-	-	-
Transfer from Water Operating	30,000	-	-	-
	<u>55,000</u>	<u>121,895</u>	<u>130,342</u>	<u>(8,447)</u>
<b>EXPENDITURES</b>				
Principal	30,000	60,000	60,000	-
Interest	32,651	44,745	44,746	(1)
Cost of issuance	612	-	-	-
	<u>63,263</u>	<u>104,745</u>	<u>104,746</u>	<u>(1)</u>
Receipts over (under) expenditures	(8,263)	17,150		
Unencumbered Cash, Beginning	<u>13,262</u>	<u>4,999</u>		
Unencumbered Cash, Ending	<u>\$ 4,999</u>	<u>22,149</u>		

## City of Peabody, Kansas

**Business Funds**

**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)

		2017		
	Prior Year			Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
<b><u>WATER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sale of water	\$ 259,601	256,978	280,000	(23,022)
Penalties	10,929	10,583	9,000	1,583
Connect and reconnect fees	7,017	8,210	6,300	1,910
Miscellaneous	3,323	3,241	4,000	(759)
Reimbursements	100	-	-	-
Interest	<u>715</u>	<u>1,162</u>	<u>350</u>	<u>812</u>
	<u>281,685</u>	<u>280,174</u>	<u>299,650</u>	<u>(19,476)</u>
<b>EXPENDITURES</b>				
Personnel services	105,163	100,926	118,000	(17,074)
Contractual services	44,211	54,281	50,000	4,281
Commodities	10,141	10,158	14,000	(3,842)
Purchase of water	93,515	82,331	110,000	(27,669)
Transfer to Bond & Interest	30,000	-	-	-
Transfer to Water Reserve	-	-	20,000	(20,000)
Transfer to Municipal Equipment	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>
	<u>283,030</u>	<u>277,696</u>	<u>312,000</u>	<u>(34,304)</u>
Receipts over (under) expenditures	(1,345)	2,478		
Unencumbered Cash, Beginning	<u>17,588</u>	<u>16,243</u>		
Unencumbered Cash, Ending	<u>\$ 16,243</u>	<u>18,721</u>		

## City of Peabody, Kansas

**Business Funds**

**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)

		2017		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>SEWER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sewer fees	\$ 198,717	193,550	212,000	(18,450)
Penalties	8,234	8,409	6,200	2,209
Other	3,820	1,046	200	846
	<u>210,771</u>	<u>203,005</u>	<u>218,400</u>	<u>(15,395)</u>
<b>EXPENDITURES</b>				
Personnel services	99,979	100,017	117,000	(16,983)
Contractual services	32,012	37,146	31,000	6,146
Commodities	9,090	11,442	13,000	(1,558)
Capital outlay	14,053	-	3,000	(3,000)
Transfer to Capital Improvement	10,000	30,000	-	30,000
Transfer to Municipal Equipment	25,000	-	-	-
Transfer to Bond and Interest	25,000	-	-	-
Transfer to Sewer Replacement	-	40,000	70,000	(30,000)
	<u>215,134</u>	<u>218,605</u>	<u>234,000</u>	<u>(15,395)</u>
Receipts under expenditures	(4,363)	(15,600)		
Unencumbered Cash, Beginning	<u>55,001</u>	<u>50,638</u>		
Unencumbered Cash, Ending	<u>\$ 50,638</u>	<u>35,038</u>		
<b><u>SEWER REPLACEMENT</u></b>				
<b>RECEIPTS</b>				
Special assessments	\$ 245	246		
Interest	39	23		
Land lease	2,450	2,450		
Transfer from Sewer Operating	-	40,000		
	2,734	42,719		
<b>EXPENDITURES</b>				
Capital outlay	-	-	NOT APPLICABLE	
Receipts over expenditures	2,734	42,719		
Unencumbered Cash, Beginning	<u>29,116</u>	<u>31,850</u>		
Unencumbered Cash, Ending	<u>\$ 31,850</u>	<u>74,569</u>		

## City of Peabody, Kansas

**Business Funds**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)

		2017		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>REFUSE OPERATING</u>				
RECEIPTS				
Refuse fees	\$ 69,899	68,460	72,500	(4,040)
Penalties	4,044	4,229	3,000	1,229
Other	30	-	300	(300)
	<u>73,973</u>	<u>72,689</u>	<u>75,800</u>	<u>(3,111)</u>
EXPENDITURES				
Contractual services	62,995	66,983	72,000	(5,017)
Commodities	1,591	1,529	3,200	(1,671)
Transfer to Municipal Equipment	5,000	5,000	-	5,000
	<u>69,586</u>	<u>73,512</u>	<u>75,200</u>	<u>(1,688)</u>
Receipts over (under) expenditures	4,387	(823)		
Unencumbered Cash, Beginning	<u>5,005</u>	<u>9,392</u>		
Unencumbered Cash, Ending	\$ 9,392	8,569		



## City of Peabody, Kansas

**Trust 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)

	<u>2016</u>	<u>2017</u>
<u>HART TRUST</u>		
RECEIPTS	\$ -	8,242
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	8,242
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>8,242</u>