

CITY OF PEABODY, KANSAS

Financial Statement

For the Year Ended December 31, 2018

City of Peabody, Kansas  
For the Year Ended December 31, 2018

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## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Peabody  
Peabody, Kansas

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, 2018, and the related notes to the financial statement.

### ***Management's Responsibility for the Financial Statement***

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

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

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require 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, 2018, or changes in financial position and cash flows thereof for the year then ended.

### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### ***Other Matters***

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

Our audit was conducted for the purpose of forming an opinion on the 2018 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 2018 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 2018 basic financial statement. The 2018 information has been subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 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 as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated July 9, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link <http://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2017, on the basis of accounting described in Note 1.

*Kraudsen, Monroe & Company, LLC*

Certified Public Accountants  
Newton, Kansas  
July 17, 2019

## City of Peabody, Kansas

## SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

## Regulatory Basis

For the Year Ended December 31, 2018

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Accounts Payable and Encumbrances	Ending Cash Balance
<b>General Fund</b>	\$ 39,847	556,753	559,408	37,192	4,129	41,321
<b>Special Purpose Funds</b>						
Special Equipment (Law & Fire)	20,720	2,135	1,000	21,855	-	21,855
Special Highway	190,647	106,790	3,270	294,167	-	294,167
Special Park and Recreation	1,859	2,373	2,400	1,832	-	1,832
Municipal Equipment	47,691	50,000	19,878	77,813	-	77,813
Capital Improvement	6,952	3,400	1,671	8,681	-	8,681
Police DARE	925	-	-	925	-	925
Police Diversion	13,931	5,670	7,851	11,750	370	12,120
Drug Forfeiture	1,182	2,059	287	2,954	-	2,954
Lighting	628	1,878	1,678	828	-	828
<b>Bond and Interest Fund</b>	22,149	73,337	117,786	(22,300)	-	(22,300)
<b>Business Funds</b>						
Water Operating	18,721	289,619	287,792	20,548	12,242	32,790
Sewer Operating	35,038	212,554	188,942	58,650	896	59,546
Refuse Operating	8,569	74,696	75,000	8,265	106	8,371
Water Replacement Reserve	-	24,000	-	24,000	-	24,000
Sewer Replacement Reserve	74,569	32,489	5,850	101,208	-	101,208
<b>Trust Fund</b>						
Hart trust	8,242	29,253	18,493	19,002	-	19,002
<b>Total Reporting Entity</b>	<u>\$ 491,670</u>	<u>1,467,006</u>	<u>1,291,306</u>	<u>667,370</u>	<u>17,743</u>	<u>685,113</u>
<b>Composition of Cash</b>						
Petty cash						\$ 150
Vintage Bank Kansas						
Clerk account						387
Checking						13,420
Money Market						645,180
Police Drug Forfeiture						3,321
Certificates of Deposit						<u>22,655</u>
<b>Total Reporting Entity</b>						<u>\$ 685,113</u>

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

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

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. This regulatory financial statement presents the City of Peabody (City).

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 – used to account for fees charged to users of the goods or services (i.e. water fund, sewer fund, etc.).

Trust Fund – used to report assets held in trust for the benefit of the City (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the City, 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, 2018

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 such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 reserve funds, and certain special purpose funds.

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 of accounting.

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City was not in compliance with K.S.A. 79-2935 which limits fund expenditures to the appropriated budget and K.S.A. 10-1113 which requires the City ensure that expenditures are made in compliance with the cash basis law so no indebtedness is created for a fund in excess of available monies in that fund. These violations occurred in the Bond and Interest Fund.

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. One of the general obligation bond payments was not made timely in accordance with this statute.

The City was not in compliance with K.S.A. 9-1402 and 9-1405 which require that deposits with statutorily authorized financial institutions be adequately secured. The City's cash deposits were not adequately secured for a period of approximately 30 days during the year ended December 31, 2018.

K.S.A. 12-1608 requires third class cities to publish an annual treasurer's report showing, by fund, beginning and ending balances, receipts, and expenditures, along with obligation/liability information. The City failed to publish the annual treasurer's report for the year ended December 31, 2018.

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. All deposits were legally secured at December 31, 2018.

At December 31, 2018, the carrying amount of the City's deposits was \$684,963 and the bank balance was \$755,129. 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 \$505,129 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, 2018

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Water Operating	Municipal Equipment	K.S.A. 12-825d	\$ 20,000
Water Operating	Water Replacement Reserve	K.S.A. 12-631o	24,000
Sewer Operating	Municipal Equipment	K.S.A. 12-825d	30,000
Sewer Operating	Sewer Replacement Reserve	K.S.A. 12-631o	30,000
Total			<u>\$ 104,000</u>

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions /Payments	Balance End of Year	Interest Paid
<b>General Obligation Bonds</b>									
Series A 2009	3.00-6.00%	12/08/09	\$ 200,000	10/01/20	\$ 75,000	-	25,000	50,000	4,312
Series 2015	0.50-4.125%	12/01/15	1,215,000	08/01/45	1,165,000	-	30,000	1,135,000	58,474
<b>Capital Lease Payable</b>									
2018 Ford Explorer	4.750%	05/14/18	29,492	05/14/19	-	29,492	26,000	3,492	-
<b>Total contractual indebtedness</b>					<u>\$ 1,240,000</u>	<u>29,492</u>	<u>81,000</u>	<u>1,188,492</u>	<u>62,786</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										
	2019	2020	2021	2022	2023	2024 - 2028	2029 - 2033	2034 - 2038	2039 - 2043	2044 - 2045	Total
<b>Principal</b>											
General Obligation Bonds	\$ 55,000	55,000	30,000	35,000	35,000	180,000	210,000	245,000	240,000	100,000	1,185,000
Capital Lease Payable	3,492	-	-	-	-	-	-	-	-	-	3,492
Total principal	58,492	55,000	30,000	35,000	35,000	180,000	210,000	245,000	240,000	100,000	1,188,492
<b>Interest</b>											
General Obligation Bonds	22,329	39,908	37,957	37,433	36,732	170,712	141,783	100,384	47,644	5,981	640,863
Capital Lease Payable	273	-	-	-	-	-	-	-	-	-	273
Total interest	22,602	39,908	37,957	37,433	36,732	170,712	141,783	100,384	47,644	5,981	641,136
Total principal and interest	\$ 81,094	94,908	67,957	72,433	71,732	350,712	351,783	345,384	287,644	105,981	1,829,628

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

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) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$24,787, for the year ended December 31, 2018.

Net Pension Liability

At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$223,620. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and 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 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.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits

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.

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-1927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

Compensated Absences

Full-time employees earn two weeks of paid vacation upon completion of one year of service 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 torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2017 to 2018 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, 2018, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through July 17 2019, 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, 2018

## City of Peabody, Kansas

## SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2018

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
General Fund	\$ 613,500	-	613,500	559,408	(54,092)
Special Purpose Funds					
Special Equipment (Law & Fire)	10,500	-	10,500	1,000	(9,500)
Special Highway	230,996	-	230,996	3,270	(227,726)
Special Park and Recreation	2,400	-	2,400	2,400	-
Bond and Interest Fund	98,395	-	98,395	117,786	19,391
Business Funds					
Water Operating	288,000	-	288,000	287,792	(208)
Sewer Operating	193,500	-	193,500	188,942	(4,558)
Refuse Operating	75,000	-	75,000	75,000	-

## City of Peabody, Kansas

**General Fund**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
RECEIPTS				
Ad valorem property tax	\$ 199,932	276,813	298,020	(21,207)
Delinquent tax	16,969	6,671	8,000	(1,329)
Motor Vehicle tax	45,623	34,075	30,021	4,054
Liquor tax	2,172	2,288	2,200	88
Franchise tax	67,321	73,144	68,000	5,144
Licenses and permits	24,751	5,793	4,800	993
County sales tax	71,319	79,588	74,000	5,588
Highway connecting links	557	696	557	139
Fines	55,782	54,845	55,000	(155)
Interest on investments	58	35	30	5
Pool receipts	8,154	8,123	6,000	2,123
Reimbursements	25,658	11,395	25,000	(13,605)
Miscellaneous	11,840	3,287	-	3,287
	530,136	556,753	571,628	(14,875)
EXPENDITURES, page 13	605,677	559,408		
Receipts under expenditures	(75,541)	(2,655)		
UNENCUMBERED CASH, Beginning	115,388	39,847		
UNENCUMBERED CASH, Ending	\$ 39,847	37,192		

## City of Peabody, Kansas

**General Fund**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018

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

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
EXPENDITURES				
General Government				
Personnel services	\$ 64,609	58,312	60,000	(1,688)
Contractual services	66,146	75,897	56,000	19,897
Commodities	4,660	7,194	-	7,194
Reimbursed expenses	15,345	-	8,000	(8,000)
Capital outlay	-	-	3,000	(3,000)
	<u>150,760</u>	<u>141,403</u>	<u>127,000</u>	<u>14,403</u>
Street				
Contractual services	22	1,574	1,000	574
Commodities	<u>19</u>	<u>5,460</u>	<u>8,500</u>	<u>(3,040)</u>
	<u>41</u>	<u>7,034</u>	<u>9,500</u>	<u>(2,466)</u>
Police				
Personnel services	188,931	203,323	211,000	(7,677)
Contractual services	21,419	18,460	24,000	(5,540)
Commodities	27,152	19,875	31,500	(11,625)
Capital outlay	<u>565</u>	<u>11,600</u>	<u>500</u>	<u>11,100</u>
	<u>238,067</u>	<u>253,258</u>	<u>267,000</u>	<u>(13,742)</u>
Municipal Court				
Personnel services	47,602	45,581	55,000	(9,419)
Contractual services	17,624	18,715	20,000	(1,285)
Commodities	<u>1,074</u>	<u>1,739</u>	<u>1,000</u>	<u>739</u>
	<u>66,300</u>	<u>66,035</u>	<u>76,000</u>	<u>(9,965)</u>
Fire				
Personnel services	1,409	1,935	2,000	(65)
Contractual services	3,769	2,147	5,000	(2,853)
Commodities	<u>479</u>	<u>186</u>	<u>1,000</u>	<u>(814)</u>
	<u>5,657</u>	<u>4,268</u>	<u>8,000</u>	<u>(3,732)</u>
Park				
Personnel services	8,215	8,617	8,500	117
Contractual services	3,405	91	5,500	(5,409)
Commodities	5,795	9,825	9,000	825
Capital outlay	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>20,415</u>	<u>18,533</u>	<u>23,000</u>	<u>(4,467)</u>

## City of Peabody, Kansas

**General Fund**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Swimming Pool				
Personnel services	16,680	18,963	16,500	2,463
Contractual services	7,441	709	3,000	(2,291)
Commodities	9,027	9,655	4,500	5,155
Capital outlay	-	-	500	(500)
	<u>33,148</u>	<u>29,327</u>	<u>24,500</u>	<u>4,827</u>
Economic Development				
Personnel services	3,450	-	25,000	(25,000)
Contractual services	7,000	(7,000)	1,000	(8,000)
Commodities	-	-	1,000	(1,000)
	<u>10,450</u>	<u>(7,000)</u>	<u>27,000</u>	<u>(34,000)</u>
Utilities	<u>45,739</u>	<u>46,550</u>	<u>48,500</u>	<u>(1,950)</u>
Transfer to Municipal Equipment	35,100	-	2,000	(2,000)
Transfer to Capital Improvement	-	-	1,000	(1,000)
	<u>35,100</u>	<u>-</u>	<u>3,000</u>	<u>(3,000)</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 605,677</u>	<u>559,408</u>	<u>613,500</u>	<u>(54,092)</u>



## City of Peabody, Kansas

**Special Purpose Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>SPECIAL EQUIPMENT (LAW AND FIRE)</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 15,026	-	-	-
Delinquent tax	224	181	200	(19)
Motor vehicle tax	625	1,954	2,256	(302)
	<u>15,875</u>	<u>2,135</u>	<u>2,456</u>	<u>(321)</u>
<b>EXPENDITURES</b>				
Contractual services	-	-	2,500	(2,500)
Capital outlay	1,000	1,000	8,000	(7,000)
	<u>1,000</u>	<u>1,000</u>	<u>10,500</u>	<u>(9,500)</u>
Receipts over expenditures	14,875	1,135		
Unencumbered Cash, Beginning	5,845	20,720		
Unencumbered Cash, Ending	<u>\$ 20,720</u>	<u>21,855</u>		
<b><u>SPECIAL HIGHWAY</u></b>				
<b>RECEIPTS</b>				
State payments-gasoline tax	\$ 30,447	30,779	30,000	779
City sales tax	78,179	76,011	85,000	(8,989)
	<u>108,626</u>	<u>106,790</u>	<u>115,000</u>	<u>(8,210)</u>
<b>EXPENDITURES</b>				
Contractual services	1,440	-	217,996	(217,996)
Commodities	10,535	3,270	12,000	(8,730)
Capital outlay	-	-	1,000	(1,000)
	<u>11,975</u>	<u>3,270</u>	<u>230,996</u>	<u>(227,726)</u>
Receipts over expenditures	96,651	103,520		
Unencumbered Cash, Beginning	93,996	190,647		
Unencumbered Cash, Ending	<u>\$ 190,647</u>	<u>294,167</u>		

## City of Peabody, Kansas

**Special Purpose Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		<u>Current Year</u>		
	Prior Year			Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>(Under)</u>
<b><u>SPECIAL PARK AND RECREATION</u></b>				
<b>RECEIPTS</b>				
Liquor tax	\$ 2,172	2,288	2,200	88
Other	<u>-</u>	<u>85</u>	<u>-</u>	<u>85</u>
	<u>2,172</u>	<u>2,373</u>	<u>2,200</u>	<u>173</u>
<b>EXPENDITURES</b>				
Commodities	-	-	300	(300)
Capital outlay	<u>2,058</u>	<u>2,400</u>	<u>2,100</u>	<u>300</u>
	<u>2,058</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>
Receipts over (under) expenditures	114	(27)		
Unencumbered Cash, Beginning	<u>1,745</u>	<u>1,859</u>		
Unencumbered Cash, Ending	<u>\$ 1,859</u>	<u>1,832</u>		

## City of Peabody, Kansas

**Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<b><u>MUNICIPAL EQUIPMENT</u></b>		
RECEIPTS		
Transfer from General	\$ 35,100	-
Transfer from Water Operating	30,000	20,000
Transfer from Sewer Operating	-	30,000
Transfer from Refuse Operating	5,000	-
	<u>70,100</u>	<u>50,000</u>
EXPENDITURES		
Capital outlay	<u>102,755</u>	<u>19,878</u>
Receipts over (under) expenditures	(32,655)	30,122
Unencumbered Cash, Beginning	<u>80,346</u>	<u>47,691</u>
Unencumbered Cash, Ending	<u>\$ 47,691</u>	<u>77,813</u>
<b><u>CAPITAL IMPROVEMENT</u></b>		
RECEIPTS		
Transfer from Sewer Operating	\$ 30,000	-
Miscellaneous	-	3,400
	<u>30,000</u>	<u>3,400</u>
EXPENDITURES		
Capital outlay	<u>24,081</u>	<u>1,671</u>
Receipts over expenditures	5,919	1,729
Unencumbered Cash, Beginning	<u>1,033</u>	<u>6,952</u>
Unencumbered Cash, Ending	<u>\$ 6,952</u>	<u>8,681</u>

## City of Peabody, Kansas

**Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<b><u>POLICE DARE</u></b>		
RECEIPTS		
Other	\$ 1	-
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	1	-
Unencumbered Cash, Beginning	<u>924</u>	<u>925</u>
Unencumbered Cash, Ending	<u>\$ 925</u>	<u>925</u>
 <b><u>POLICE DIVERSION</u></b>		
RECEIPTS		
Diversion fees	\$ 6,896	5,670
EXPENDITURES		
Capital Outlay	<u>7,272</u>	<u>7,851</u>
Receipts under expenditures	(376)	(2,181)
Unencumbered Cash, Beginning	<u>14,307</u>	<u>13,931</u>
Unencumbered Cash, Ending	<u>\$ 13,931</u>	<u>11,750</u>

## City of Peabody, Kansas

**Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<b><u>DRUG FORFEITURE</u></b>		
RECEIPTS	\$ -	2,059
EXPENDITURES	<u>8</u>	<u>287</u>
Receipts over (under) expenditures	(8)	1,772
Unencumbered Cash, Beginning	<u>1,190</u>	<u>1,182</u>
Unencumbered Cash, Ending	<u><u>\$ 1,182</u></u>	<u><u>2,954</u></u>
 <b><u>LIGHTING</u></b>		
RECEIPTS	\$ 1,465	1,878
EXPENDITURES		
Commodities	-	1,678
Reimbursed expenses	<u>1,205</u>	<u>-</u>
	<u>1,205</u>	<u>1,678</u>
Receipts over expenditures	260	200
Unencumbered Cash, Beginning	<u>368</u>	<u>628</u>
Unencumbered Cash, Ending	<u><u>\$ 628</u></u>	<u><u>828</u></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, 2018

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

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
RECEIPTS				
Ad valorem property tax	\$ 121,871	57,655	62,072	(4,417)
Delinquent tax	-	903	1,000	(97)
Motor Vehicle tax	-	14,736	18,300	(3,564)
Interest on investments	24	43	-	43
	<u>121,895</u>	<u>73,337</u>	<u>81,372</u>	<u>(8,035)</u>
EXPENDITURES				
Principal	60,000	55,000	55,000	-
Interest	44,745	62,786	43,395	19,391
	<u>104,745</u>	<u>117,786</u>	<u>98,395</u>	<u>19,391</u>
Receipts over (under) expenditures	17,150	(44,449)		
Unencumbered Cash, Beginning	<u>4,999</u>	<u>22,149</u>		
Unencumbered Cash, Ending	<u>\$ 22,149</u>	<u>(22,300)</u>		

## City of Peabody, Kansas

**Business Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>WATER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sale of water	\$ 256,978	256,209	280,000	(23,791)
Penalties	10,583	17,803	11,000	6,803
Connect and reconnect fees	8,210	7,300	7,000	300
Miscellaneous	3,241	4,805	3,000	1,805
Reimbursements	-	17	-	17
Interest	1,162	3,485	700	2,785
	<u>280,174</u>	<u>289,619</u>	<u>301,700</u>	<u>(12,081)</u>
<b>EXPENDITURES</b>				
Personnel services	100,926	95,152	110,000	(14,848)
Contractual services	54,281	43,731	48,000	(4,269)
Commodities	10,158	17,144	11,000	6,144
Purchase of water	82,331	87,765	99,000	(11,235)
Transfer to Municipal Equipment	30,000	20,000	20,000	-
Transfer to Water Replacement Reserve	-	24,000	-	24,000
	<u>277,696</u>	<u>287,792</u>	<u>288,000</u>	<u>(208)</u>
Receipts over expenditures	2,478	1,827		
Unencumbered Cash, Beginning	<u>16,243</u>	<u>18,721</u>		
Unencumbered Cash, Ending	<u>\$ 18,721</u>	<u>20,548</u>		

## City of Peabody, Kansas

**Business Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
Regulatory Basis

For the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>SEWER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sewer fees	\$ 193,550	199,728	210,000	(10,272)
Penalties	8,409	12,809	8,000	4,809
Other	1,046	17	3,000	(2,983)
	<u>203,005</u>	<u>212,554</u>	<u>221,000</u>	<u>(8,446)</u>
<b>EXPENDITURES</b>				
Personnel services	100,017	91,464	115,000	(23,536)
Contractual services	37,146	27,510	31,000	(3,490)
Commodities	11,442	9,968	13,000	(3,032)
Capital outlay	-	-	4,500	(4,500)
Transfer to Municipal Equipment	-	30,000	-	30,000
Transfer to Capital Improvement	30,000	-	-	-
Transfer to Sewer Replacement Reserve	40,000	30,000	30,000	-
	<u>218,605</u>	<u>188,942</u>	<u>193,500</u>	<u>(4,558)</u>
Receipts over (under) expenditures	(15,600)	23,612		
Unencumbered Cash, Beginning	<u>50,638</u>	<u>35,038</u>		
Unencumbered Cash, Ending	<u>\$ 35,038</u>	<u>58,650</u>		
<b><u>REFUSE OPERATING</u></b>				
<b>RECEIPTS</b>				
Refuse fees	\$ 68,460	70,741	72,500	(1,759)
Penalties	4,229	3,955	4,000	(45)
Other	-	-	100	(100)
	<u>72,689</u>	<u>74,696</u>	<u>76,600</u>	<u>(1,904)</u>
<b>EXPENDITURES</b>				
Contractual services	66,983	73,749	68,000	5,749
Commodities	1,529	1,251	2,000	(749)
Transfer to Municipal Equipment	5,000	-	5,000	(5,000)
	<u>73,512</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Receipts under expenditures	(823)	(304)		
Unencumbered Cash, Beginning	<u>9,392</u>	<u>8,569</u>		
Unencumbered Cash, Ending	<u>\$ 8,569</u>	<u>8,265</u>		



## City of Peabody, Kansas

**Business Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2018  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<u><b>WATER REPLACEMENT RESERVE</b></u>		
RECEIPTS		
Transfer from Water Operating	\$ -	24,000
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over expenditures	-	24,000
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>24,000</u>
 <u><b>SEWER REPLACEMENT RESERVE</b></u>		
RECEIPTS		
Special assessments	\$ 246	-
Interest	23	39
Land lease	2,450	2,450
Transfer from Sewer Operating	<u>40,000</u>	<u>30,000</u>
	42,719	32,489
EXPENDITURES		
Capital outlay	<u>-</u>	<u>5,850</u>
Receipts over expenditures	42,719	26,639
Unencumbered Cash, Beginning	<u>31,850</u>	<u>74,569</u>
Unencumbered Cash, Ending	<u>\$ 74,569</u>	<u>101,208</u>

## City of Peabody, Kansas

**Trust Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2018  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<u>HART TRUST</u>		
RECEIPTS	\$ 8,242	29,253
EXPENDITURES	<u>-</u>	<u>18,493</u>
Receipts over expenditures	8,242	10,760
Unencumbered Cash, Beginning	<u>-</u>	<u>8,242</u>
Unencumbered Cash, Ending	<u><u>\$ 8,242</u></u>	<u><u>19,002</u></u>