

**CITY OF MINNEAPOLIS, KANSAS**

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

**CITY OF MINNEAPOLIS, KANSAS**

**FINANCIAL STATEMENT  
WITH  
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DECEMBER 31, 2018  
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## **Independent Auditor's Report**

To the Mayor and City Council  
Minneapolis, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Minneapolis, Kansas, as of and for the year ended December 31, 2018 and the related notes to the financial statement.

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

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

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

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

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

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

As described in Note 2 of the financial statement, the financial statement is prepared by the City of Minneapolis, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Minneapolis, Kansas, as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

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

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

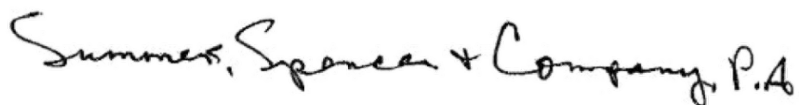
#### *Other Matters*

##### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and disbursements – agency funds, and the schedule of regulatory basis receipts and expenditures – related municipal entity (Schedules 1, 2, 3, and 4 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 the reconciling such information directly to the underlying accounting records used to prepare the basic financial statement or the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Minneapolis, Kansas 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/chieffinancial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2017, on the basis of accounting described in Note 2.

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

Summers, Spencer & Company, P.A.

Salina, Kansas

August 27, 2019

## CITY OF MINNEAPOLIS, KANSAS

Statement 1

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund							
General	\$ 160,253	\$ -	\$ 940,120	\$ 1,097,864	\$ 2,509	\$ 10,572	\$ 13,081
Special Purpose Funds							
Library General	-	-	52,474	52,474	-	-	-
Recreation Commission General	-	-	46,216	46,216	-	-	-
Special Parks and Recreation	27,305	-	1,973	3,050	26,228	-	26,228
Special Highway	110,103	-	75,173	40,834	144,442	508	144,950
Economic Development	134,989	-	6,615	15,760	125,844	728	126,572
Equipment Reserve	182,001	-	67,875	135,978	113,898	-	113,898
Capital Improvement	1,385,111	-	625,745	1,548,739	462,117	81,013	543,130
Revitalization	3,256	-	19,210	18,859	3,607	2,720	6,327
Bond and Interest Fund							
Bond and Interest	99,407	-	-	-	99,407	-	99,407
Business Funds							
Electric Operations	303,254	-	2,622,963	2,845,950	80,268	155,341	235,609
Electric Bond and Interest	330,676	-	-	-	330,676	-	330,676
Electric Surplus	464,978	-	-	-	464,978	-	464,978
Electric Depreciation/Replacement	28,756	-	593	-	29,349	-	29,349
Waterworks Operations	355,751	-	516,017	468,987	402,781	8,589	411,370
Waterworks Surplus	90,005	-	-	-	90,005	-	90,005
Sewer Operations	356,954	-	189,132	178,175	367,911	7,861	375,772
Ambulance Operations	309,687	-	468,168	369,242	408,613	3,730	412,343
	<u>4,342,486</u>	<u>-</u>	<u>5,632,274</u>	<u>6,822,128</u>	<u>3,152,633</u>	<u>271,062</u>	<u>3,423,695</u>
Related Municipal Entities							
Minneapolis Public Library	25,786	-	165,754	75,231	116,309	4,957	121,266
Minneapolis Recreation Commission	40,762	-	75,180	50,972	64,970	-	64,970
	<u>66,548</u>	<u>-</u>	<u>240,934</u>	<u>126,203</u>	<u>181,279</u>	<u>4,957</u>	<u>186,236</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 4,409,034</u>	<u>\$ -</u>	<u>\$ 5,873,208</u>	<u>\$ 6,948,331</u>	<u>\$ 3,333,912</u>	<u>\$ 276,019</u>	<u>\$ 3,609,931</u>
Composition of Cash:			Cash on Hand				\$ 2,430
			Checking and Savings Accounts				3,403,975
			Certificates of Deposit				28,588
			Library and Recreation Commission Accounts				<u>185,803</u>
			Total Cash				3,620,796
			Agency Funds per Schedule 3				<u>(10,865)</u>
			Total Reporting Entity (Excluding Agency Funds)				<u>\$ 3,609,931</u>

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

## CITY OF MINNEAPOLIS, KANSAS

### Notes to the Financial Statement For the Year Ended December 31, 2018

#### Note 1 – Reporting Entity

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

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

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

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

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

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

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

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

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

General Fund - The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - Used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Projects and tax levies for long-term debt) that are intended for a specified purpose.

## **CITY OF MINNEAPOLIS, KANSAS**

### **Notes to the Financial Statement For the Year Ended December 31, 2018**

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

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

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

#### **Note 3 – Budgetary Information**

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

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

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

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

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

A legal operating budget is not required for capital project funds and the following special purpose funds:

Equipment reserve fund

Capital improvement fund

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



## CITY OF MINNEAPOLIS, KANSAS

### Notes to the Financial Statement For the Year Ended December 31, 2018

#### Note 4 – Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires that banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

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

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

At December 31, 2018, the City's carrying amount of deposits, including related municipal entities, was \$3,618,367 and the bank balance was \$3,822,907. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$437,002 was covered by federal depository insurance, and the balance of \$3,385,905 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

#### Note 5 – 2007 Revenue Bonds

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

Establishment of rates adequate to insure a net income equal to at least 115 percent of the total principal and interest due for the year. For 2018, 115 percent of the debt service payments would be \$74,601. Net loss for 2018 was \$116,523, which does not comply with the bond ordinance.

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

Establishment of a depreciation and replacement account in the amount of \$20,000. The fund may be used solely for the purpose of making emergency replacements and repairs to the system. If any part of the money in the depreciation and replacement account are used, monthly deposits of \$1,500 are required to be made until the account is restored to \$20,000. The account balance at December 31, 2018 was \$29,349.

## CITY OF MINNEAPOLIS, KANSAS

### Notes to the Financial Statement For the Year Ended December 31, 2018

Establishment of a surplus account to receive all moneys not needed for the current operation of the utility or required to be transferred to reserve accounts. The moneys in the surplus account may be used for system operation, system expansion or improvement, debt service, or lawful transfers to other funds. The electric surplus fund balance was \$464,978 at December 31, 2018.

The electric system had an average of 1,100 customers per month during 2018.

The financial statement together with the description of revenue bond requirements above indicate the electric utility has met requirements for reserves and debt service appears to have been adequate in 2018 to meet the requirements K.S.A. 12-866 and K.S.A. 10-1208 as applicable, however, the current rate structure did not provide adequate net income to meet the to meet the bond ordinance requirements.

#### Note 6 – Interfund Transfers

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	\$ 60,000
General Fund	Special Highway Fund	K.S.A. 12-1,119	20,000
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	160,000
General Fund	Waterworks Operations Fund	K.S.A. 12-197	50,000
General Fund	Revitalization Fund	K.S.A. 12-17,118	13,000
Electric Operations Fund	General Fund	K.S.A. 12-825d	41,594

#### Note 7 – Defined Benefit Pension Plan

##### General Information about the Pension Plan

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

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired 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.

## CITY OF MINNEAPOLIS, KANSAS

### Notes to the Financial Statement For the Year Ended December 31, 2018

The actuarially determined employer contribution rate (not including the 1% contribution rate for Death and Disability Program) and statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City of Minneapolis and the Minneapolis Public Library were \$68,398 for the year ended December 31, 2018.

#### Net Pension Liability

At December 31, 2018, the City of Minneapolis and the Minneapolis Public Library's proportionate share of the net pension liability reported by KPERS was \$723,809. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City of Minneapolis and the Minneapolis Public Library's proportion of the net pension liability was based on the ratio of the City of Minneapolis and the Minneapolis Public Library's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

#### **Note 8 – Other Post-Employment Benefits**

As provided by K.S.A. 12-5040, the City allows retirees under age 65 to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

*Death and Disability Other Post Employment Benefits.* As provided by K.S.A. 74-4927, disabled members in 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 contributions rate is set at 1% for the year ended December 31, 2018.

#### **Note 9 – Compensated Absences**

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

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

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

## CITY OF MINNEAPOLIS, KANSAS

### Notes to the Financial Statement For the Year Ended December 31, 2018

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

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

#### Note 10 – Risk Management

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

#### Note 11 – Capital Projects

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

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
City Hall Building Remodel	\$ 1,039,139	\$ 1,021,768

#### Note 12 – Related Parties

All of the City's carrying deposits are held at one bank that employs the City Treasurer. Payments made to this bank and its constituents during 2018 was \$79,974. The City also made payments to another vendor in which the owner is a City Council member. The total payments made during 2018 to this vendor was \$15,337. The City made payments to another vendor in which the owner is related to an employee. Total payments made to this vendor was \$15,976. The City did not have a balance due to either of the vendors as of December 31, 2018.

#### Note 13 – Subsequent Events

The City's management has evaluated events and transactions occurring after December 31, 2018 through August 27, 2019. The aforementioned date represents the date the financial statement was available to be issued.

**CITY OF MINNEAPOLIS, KANSAS**

**Notes to the Financial Statement  
For the Year Ended December 31, 2018**

**Note 14 - Long-Term Debt**

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligations Bonds:									
General Obligation Refunding and Improvement Bonds	1.875-2.5%	3/15/2012	\$ 2,445,000	8/1/2026	\$ 1,435,000	\$ -	\$ 170,000	\$ 1,265,000	\$ 44,931
Series 2014	0.5-4.05%	12/23/2013	965,000	8/1/2029	<u>805,000</u>	-	<u>60,000</u>	<u>745,000</u>	<u>34,913</u>
Total General Obligation Bonds					<u>2,240,000</u>	-	<u>230,000</u>	<u>2,010,000</u>	<u>79,844</u>
Revenue Bond:									
Electric Utilities, Series 2007	4.375-4.65%	7/1/2007	750,000	5/1/2022	<u>350,000</u>	-	<u>50,000</u>	<u>300,000</u>	<u>14,870</u>
KDHE Loan:									
Water Pollution Control *	2.29%	9/28/2012 2/29/16	687,578	9/1/2034	<u>333,903</u>	-	<u>16,269</u>	<u>317,634</u>	<u>6,729</u>
Capital Leases:									
408 W 1st St	1.90%	4/1/2013	66,550	1/1/2018	13,817	-	13,817	-	263
Bucket Truck	1.95%	9/10/2015	93,900	9/10/2018	31,916	-	31,916	-	632
JCB Wheel Loader	1.90%	1/25/2016	83,092	1/25/2021	67,096	-	16,304	50,792	1,502
Sand Volleyball Courts	2.50%	2/11/2016	65,000	2/11/2027	<u>59,208</u>	-	<u>5,939</u>	<u>53,269</u>	<u>1,275</u>
Total Capital Leases					<u>172,037</u>	-	<u>67,976</u>	<u>104,061</u>	<u>3,672</u>
Total Contractual Indebtedness					<u>\$ 3,095,940</u>	<u>\$ -</u>	<u>\$ 364,245</u>	<u>\$ 2,731,695</u>	<u>\$ 105,115</u>

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

**CITY OF MINNEAPOLIS, KANSAS**

**Notes to the Financial Statement  
For the Year Ended December 31, 2018**

**Note 14 - Long-Term Debt**

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

	Year								
	2019	2020	2021	2022	2023	2024-2028	2029-2033	2034	Total
Principal:									
General Obligations Bonds:									
General Obligation Refunding									
and Improvement Bonds	\$ 160,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 160,000	\$ 495,000	\$ -	\$ -	\$ 1,265,000
Series 2014	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>65,000</u>	<u>65,000</u>	<u>355,000</u>	<u>80,000</u>	<u>-</u>	<u>745,000</u>
Total General Obligation Bonds	<u>220,000</u>	<u>210,000</u>	<u>210,000</u>	<u>215,000</u>	<u>225,000</u>	<u>850,000</u>	<u>80,000</u>	<u>-</u>	<u>2,010,000</u>
Revenue Bonds:									
Electric Utilities, Series 2007	<u>55,000</u>	<u>55,000</u>	<u>60,000</u>	<u>130,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>
KDHE Loan:									
Water Pollution Control	<u>16,644</u>	<u>17,027</u>	<u>17,419</u>	<u>17,820</u>	<u>18,231</u>	<u>97,649</u>	<u>109,424</u>	<u>23,420</u>	<u>317,634</u>
Capital Leases:									
JCB Wheel Loader	16,614	16,929	17,249	-	-	-	-	-	50,792
Sand Volleyball Courts	<u>6,090</u>	<u>6,244</u>	<u>6,402</u>	<u>6,565</u>	<u>6,732</u>	<u>21,236</u>	<u>-</u>	<u>-</u>	<u>53,269</u>
Total Capital Leases	<u>22,704</u>	<u>23,173</u>	<u>23,651</u>	<u>6,565</u>	<u>6,732</u>	<u>21,236</u>	<u>-</u>	<u>-</u>	<u>104,061</u>
Total Principal	<u>\$ 314,348</u>	<u>\$ 305,200</u>	<u>\$ 311,070</u>	<u>\$ 369,385</u>	<u>\$ 249,963</u>	<u>\$ 968,885</u>	<u>\$ 189,424</u>	<u>\$ 23,420</u>	<u>\$ 2,731,695</u>

**CITY OF MINNEAPOLIS, KANSAS**

**Notes to the Financial Statement  
For the Year Ended December 31, 2018**

	Year								
	2019	2020	2021	2022	2023	2024-2028	2029-2033	2034	Total
Interest:									
General Obligations Bonds:									
General Obligation Refunding									
and Improvement Bonds	\$ 27,688	\$ 24,688	\$ 21,875	\$ 18,725	\$ 15,575	\$ 24,600	\$ -	\$ -	\$ 133,151
Series 2014	<u>22,735</u>	<u>21,775</u>	<u>20,575</u>	<u>19,195</u>	<u>17,538</u>	<u>55,950</u>	<u>3,240</u>	<u>-</u>	<u>161,008</u>
Total General Obligation Bonds	<u>50,423</u>	<u>46,463</u>	<u>42,450</u>	<u>37,920</u>	<u>33,113</u>	<u>80,550</u>	<u>3,240</u>	<u>-</u>	<u>294,159</u>
Revenue Bonds:									
Electric Utilities, Series 2007	<u>13,745</u>	<u>11,243</u>	<u>8,740</u>	<u>5,980</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,708</u>
KDHE Loan:									
Water Pollution Control									
Interest and Service Fee	<u>7,179</u>	<u>6,796</u>	<u>6,404</u>	<u>6,002</u>	<u>5,592</u>	<u>21,465</u>	<u>9,690</u>	<u>403</u>	<u>63,531</u>
Capital Leases:									
JCB Wheel Loader	965	649	329	-	-	-	-	-	1,943
Sand Volleyball Courts	<u>1,351</u>	<u>1,197</u>	<u>1,039</u>	<u>876</u>	<u>710</u>	<u>1,088</u>	<u>-</u>	<u>-</u>	<u>6,261</u>
Total Capital Leases	<u>2,316</u>	<u>1,846</u>	<u>1,368</u>	<u>876</u>	<u>710</u>	<u>1,088</u>	<u>-</u>	<u>-</u>	<u>8,204</u>
Total Interest	<u>73,663</u>	<u>66,348</u>	<u>58,962</u>	<u>50,778</u>	<u>39,414</u>	<u>103,103</u>	<u>12,930</u>	<u>403</u>	<u>405,601</u>
Total Principal, Interest, and Service Fee	<u>\$ 388,011</u>	<u>\$ 371,548</u>	<u>\$ 370,032</u>	<u>\$ 420,163</u>	<u>\$ 289,377</u>	<u>\$ 1,071,988</u>	<u>\$ 202,354</u>	<u>\$ 23,823</u>	<u>\$ 3,137,296</u>

**CITY OF MINNEAPOLIS, KANSAS**

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



**CITY OF MINNEAPOLIS, KANSAS**

Schedule 1

**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 Funds					
General	\$ 1,106,913	\$ -	\$ 1,106,913	\$ 1,097,864	\$ (9,049)
Special Purpose Funds					
Library General	54,401	-	54,401	52,474	(1,927)
Recreation Commission General	47,450	-	47,450	46,216	(1,234)
Special Parks and Recreation	26,848	-	26,848	3,050	(23,798)
Special Highway	165,412	-	165,412	40,834	(124,578)
Economic Development	296,000	-	296,000	15,760	(280,240)
Revitalization	23,000	-	23,000	18,859	(4,141)
Bond and Interest Fund					
Bond and Interest	-	-	-	-	-
Business Funds					
Electric Operations	3,025,636	-	3,025,636	2,845,950	(179,686)
Waterworks Operations	590,469	-	590,469	468,987	(121,482)
Sewer Operations	482,034	-	482,034	178,175	(303,859)
Ambulance Operations	375,308	-	375,308	369,242	(6,066)

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**General Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 363,378	\$ 366,485	\$ 382,224	\$ (15,740)
Delinquent Tax	5,498	12,356	8,446	3,910
Motor Vehicle Tax	67,413	63,542	71,103	(7,561)
Recreational Vehicle Tax	1,022	1,110	1,127	(17)
16/20M Vehicle Tax	719	627	717	(90)
Vehicle Excise Tax	-	-	15	(15)
Commercial Truck Tax	2,114	2,295	2,231	64
Watercraft Tax	420	434	411	23
Total Taxes and Shared Revenue	440,564	446,849	466,274	(19,426)
Intergovernmental				
Local Sales Tax	194,900	185,287	200,000	(14,713)
City Share Sales and Use Tax	90,819	83,020	90,455	(7,435)
State Connecting Links	9,126	9,132	9,131	1
Local Alcoholic Liquor Fund	511	963	836	127
Total Intergovernmental	295,356	278,402	300,422	(22,020)
Licenses and Permits				
Utility Franchise Tax	137,350	127,152	125,000	2,152
Occupation & Amusement Licenses	2,020	1,840	1,500	340
Permits	685	1,315	1,500	(185)
Cereal Malt Beverage Licenses	175	100	200	(100)
Liquor Licenses	-	600	600	-
Dog and Cat Licenses	2,033	2,377	2,013	364
Pole Attachment Agreement	-	1,336	2,676	(1,340)
Total Licenses and Permits	142,263	134,720	133,489	1,231
Charges for Services				
Swimming Pool	14,459	14,950	12,000	2,950
Impoundment Fees	665	780	700	80
Accident Reports	95	125	50	75
Rezoning Fees	200	500	200	300
Parking Permits	410	330	500	(170)
Refuse Collection Fees	-	-	-	-
Camper Fees and Scout Hall Rental	1,350	1,500	1,500	-
Total Charges for Services	17,179	18,185	14,950	3,235
Fines and Forfeitures	-	12,000	11,500	500
Use of Money and Property				
Interest	7,325	8,502	7,000	1,502
Lease Purchase	7,441	7,441	7,441	-
Total Use of Money and Property	14,766	15,943	14,441	1,502
Other				
Reimbursements	7,735	4,007	4,000	7
Payment in Lieu of Taxes	18,854	15,974	-	15,974
Insurance Dividends	-	-	3,600	(3,600)
Miscellaneous	7,358	(27,553)	5,000	(32,553)
Operating Transfers	-	41,594	45,375	(3,781)
Total Other	33,947	34,022	57,975	(23,953)
Total Cash Receipts	944,075	940,120	\$ 999,051	\$ (58,931)

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

## General Fund

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

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
General Government				
Personal Services	\$ 87,573	\$ 141,748	\$ 94,333	\$ 47,415
Contractual Services	105,503	65,497	46,850	18,647
Commodities	3,458	3,926	65,050	(61,124)
Capital Outlay	4,800	335	1,500	(1,165)
Total General Government	201,334	211,506	207,733	3,773
Police Department				
Personal Services	272,815	341,087	293,311	47,776
Contractual Services	45,998	51,174	47,875	3,299
Commodities	12,964	16,205	27,800	(11,595)
Capital Outlay	11,926	4,080	-	4,080
Total Police Department	343,703	412,546	368,986	43,560
Fire Department				
Contractual Services	28,572	28,572	28,572	-
Public Works				
Personal Services	21,758	25,720	48,422	(22,702)
Contractual Services	30,940	25,366	7,900	17,466
Commodities	10,001	23,144	74,500	(51,356)
Total Public Works	62,699	74,230	130,822	(56,592)
Park Department				
Contractual Services	13,362	16,626	11,225	5,401
Commodities	390	184	6,900	(6,716)
Capital Outlay	2,170	1,975	2,000	(25)
Total Park Department	15,922	18,785	20,125	(1,340)
Industrial				
Contractual Services	99	194	3,091	(2,897)
Swimming Pools				
Personal Services	23,303	25,492	23,164	2,328
Contractual Services	10,763	9,962	10,650	(688)
Commodities	5,591	11,747	9,500	2,247
Total Swimming Pools	39,657	47,201	43,314	3,887
Economic Development				
Contractual Services	1,459	1,830	1,270	560
Operating Transfers	329,000	303,000	303,000	-
Total Expenditures	1,022,445	1,097,864	\$ 1,106,913	\$ (9,049)
Receipts Over (Under) Expenditures	(78,370)	(157,744)		
Unencumbered Cash, Beginning	238,623	160,253		
Unencumbered Cash, Ending	\$ 160,253	\$ 2,509		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

## Library General Fund

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

For the Year Ended December 31, 2018

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 41,998	\$ 43,238	\$ 45,098	\$ (1,860)
Delinquent Tax	602	1,308	-	1,308
Motor Vehicle Tax	7,837	7,409	8,218	(809)
Recreational Vehicle Tax	120	129	130	(1)
16/20M Vehicle Tax	77	75	83	(8)
Commercial Truck Tax	252	265	258	7
Watercraft Tax	50	50	47	3
Total Cash Receipts	<u>50,936</u>	<u>52,474</u>	<u>\$ 53,834</u>	<u>\$ (1,363)</u>
Expenditures				
Appropriation to Library Board	<u>50,936</u>	<u>52,474</u>	<u>\$ 54,401</u>	<u>\$ (1,927)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Recreation Commission General Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Taxes and Shared Revenue:				
Ad Valorem Property Tax	\$ 37,379	\$ 38,036	\$ 39,673	\$ (1,637)
Delinquent Tax	543	1,185	-	1,185
Motor Vehicle Tax	6,903	6,536	7,314	(778)
Recreational Vehicle Tax	105	114	116	(2)
16/20M Vehicle Tax	73	64	74	(10)
Commercial Truck Tax	217	236	230	6
Watercraft Tax	43	45	42	3
Total Cash Receipts	<u>45,263</u>	<u>46,216</u>	<u>\$ 47,449</u>	<u>\$ (1,236)</u>
Expenditures				
Appropriation to Recreation Board	<u>45,263</u>	<u>46,216</u>	<u>\$ 47,450</u>	<u>\$ (1,234)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Special Parks and Recreation Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Cash Receipts				
Local Alcoholic Liquor Tax	\$ 511	\$ 963	\$ 836	\$ 127
Campers Fees	<u>1,125</u>	<u>1,010</u>	<u>1,400</u>	<u>(390)</u>
Total Cash Receipts	<u>1,636</u>	<u>1,973</u>	<u>\$ 2,236</u>	<u>\$ (263)</u>
Expenditures				
Capital Outlay	<u>-</u>	<u>3,050</u>	<u>\$ 26,848</u>	<u>\$ (23,798)</u>
Receipts Over (Under) Expenditures	1,636	(1,077)		
Unencumbered Cash, Beginning	<u>25,669</u>	<u>27,305</u>		
Unencumbered Cash, Ending	<u>\$ 27,305</u>	<u>\$ 26,228</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Special Highway Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Cash Receipts				
State of Kansas Gas Tax	\$ 53,132	\$ 53,645	\$ 54,040	\$ (395)
Reimbursements and Other	1,046	1,528	1,200	328
Operating Transfers	50,000	20,000	20,000	-
Total Cash Receipts	<u>104,178</u>	<u>75,173</u>	<u>\$ 75,240</u>	<u>\$ (67)</u>
Expenditures				
Personal Services	17,715	19,563	\$ 46,573	\$ (27,010)
Contractual Services	26,211	12,792	57,000	(44,208)
Commodities	4,136	6,102	5,000	1,102
Capital Outlay	3,290	2,377	56,839	(54,462)
Total Expenditures	<u>51,352</u>	<u>40,834</u>	<u>\$ 165,412</u>	<u>\$ (124,578)</u>
Receipts Over (Under) Expenditures	52,826	34,339		
Unencumbered Cash, Beginning	<u>57,277</u>	<u>110,103</u>		
Unencumbered Cash, Ending	<u>\$ 110,103</u>	<u>\$ 144,442</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Economic Development Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Farm Income	\$ 6,615	\$ 6,615	\$ 7,000	\$ (385)
Sale of Property	-	-	150,000	(150,000)
Lease Income	-	-	3,000	(3,000)
Total Cash Receipts	<u>6,615</u>	<u>6,615</u>	<u>\$ 160,000</u>	<u>\$ (153,385)</u>
Expenditures				
Contractual Services	9,778	9,881	\$ 10,000	\$ (119)
Commodities	-	-	2,000	(2,000)
Industrial Development	-	-	280,000	(280,000)
Insurance	4,042	3,070	4,000	(930)
Miscellaneous	<u>2,452</u>	<u>2,809</u>	<u>-</u>	<u>2,809</u>
Total Expenditures	<u>16,272</u>	<u>15,760</u>	<u>\$ 296,000</u>	<u>\$ (280,240)</u>
Receipts Over (Under) Expenditures	(9,657)	(9,145)		
Unencumbered Cash, Beginning	<u>144,646</u>	<u>134,989</u>		
Unencumbered Cash, Ending	<u>\$ 134,989</u>	<u>\$ 125,844</u>		



## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Equipment Reserve Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
Sale of Equipment	\$ -	\$ 7,875
Operating Transfers	<u>60,000</u>	<u>60,000</u>
Total Cash Receipts	<u>60,000</u>	<u>67,875</u>
Expenditures		
Equipment	<u>-</u>	<u>135,978</u>
Receipts Over (Under) Expenditures	60,000	(68,103)
Unencumbered Cash, Beginning	<u>122,001</u>	<u>182,001</u>
Unencumbered Cash, Ending	<u><u>\$ 182,001</u></u>	<u><u>\$ 113,898</u></u>

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Capital Improvement Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
Reimbursements	\$ 27,071	\$ 222,890
CDBG Funds	132,621	164,835
Operating Transfers	637,529	160,000
GO 2014 Pool	<u>79,555</u>	<u>78,020</u>
Total Cash Receipts	<u>876,776</u>	<u>625,745</u>
Expenditures		
City Hall Building Remodel	15,549	1,006,219
CDBG Expenses	128,871	160,171
Park Improvement	2,389	-
Other	43,587	33,792
Debt Service - 2014 GO Pool	74,508	94,914
Airport Improvement	<u>-</u>	<u>253,643</u>
Total Expenditures	<u>264,904</u>	<u>1,548,739</u>
Receipts Over (Under) Expenditures	611,872	(922,994)
Unencumbered Cash, Beginning	<u>773,239</u>	<u>1,385,111</u>
Unencumbered Cash, Ending	<u>\$ 1,385,111</u>	<u>\$ 462,117</u>

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Revitalization Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
County Revitalization	\$ 50	\$ 6,210	\$ 9,000	\$ (2,790)
Operating Transfers	-	13,000	13,000	-
Total Cash Receipts	<u>50</u>	<u>19,210</u>	<u>\$ 22,000</u>	<u>\$ (2,790)</u>
Expenditures				
Tax Rebates	<u>5,906</u>	<u>18,859</u>	<u>\$ 23,000</u>	<u>\$ (4,141)</u>
Receipts Over (Under) Expenditures	(5,856)	351		
Unencumbered Cash, Beginning	<u>9,112</u>	<u>3,256</u>		
Unencumbered Cash, Ending	<u>\$ 3,256</u>	<u>\$ 3,607</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Bond and Interest Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

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

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Electric Operations Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Charges for Service - Electricity	\$ 2,414,428	\$ 2,513,471	\$ 2,472,431	\$ 41,040
Connect and Reconnect	2,291	2,523	2,700	(177)
Reimbursed Expenses	17,092	22,414	5,000	17,414
Penalty Charges	13,328	12,958	12,000	958
Bad Debt Recovery	143	-	-	-
Capacity Payments	46,141	60,425	62,710	(2,285)
Interest	-	-	1,500	(1,500)
Miscellaneous	18,981	11,172	10,000	1,172
Total Cash Receipts	<u>2,512,404</u>	<u>2,622,963</u>	<u>\$ 2,566,341</u>	<u>\$ 56,622</u>
Expenditures				
Production				
Personal Services	316,700	300,796	\$ -	\$ 300,796
Contractual Services	1,464,647	1,793,077	2,050,045	(256,968)
Commodities	37,769	17,253	-	17,253
Capital Outlay	4,853	28,774	-	28,774
Total Production Expenditures	<u>1,823,968</u>	<u>2,139,899</u>	<u>2,050,045</u>	<u>89,854</u>
Distribution				
Personal Services	224,016	249,642	632,270	(382,628)
Contractual Services	99,728	122,878	-	122,878
Commodities	2,257	3,929	-	3,929
Total Distribution Services	<u>326,001</u>	<u>376,450</u>	<u>632,270</u>	<u>(255,820)</u>
Administrative				
Personal Services	82,882	84,678	297,946	(213,268)
Contractual Services	77,192	75,761	-	75,761
Commodities	2,797	2,213	-	2,213
Capital Outlay	1,517	-	-	-
Debt Service	119,606	125,356	-	125,356
Total Administrative Services	<u>283,994</u>	<u>288,007</u>	<u>297,946</u>	<u>(9,939)</u>
Operating Transfers	<u>352,800</u>	<u>41,594</u>	<u>45,375</u>	<u>(3,781)</u>
Total Expenditures	<u>2,786,763</u>	<u>2,845,950</u>	<u>\$ 3,025,636</u>	<u>\$ (179,686)</u>
Receipts Over (Under) Expenditures	(274,359)	(222,987)		
Unencumbered Cash, Beginning	<u>577,612</u>	<u>303,254</u>		
Unencumbered Cash, Ending	<u>\$ 303,254</u>	<u>\$ 80,268</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Electric Bond and Interest Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

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

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Electric Surplus Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

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

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Electric Depreciation/Replacement Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ 1,248	\$ 593
Expenditures		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	1,248	593
Unencumbered Cash, Beginning	27,508	28,756
Unencumbered Cash, Ending	\$ 28,756	\$ 29,349



## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Waterworks Operations Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for services	\$ 453,035	\$ 439,904	\$ 460,000	\$ (20,096)
Other Sales	2,754	1,430	4,200	(2,770)
Connect and Reconnect Fees	1,580	1,083	1,900	(817)
Penalty Charges	9,404	9,040	8,500	540
Reimbursed Expenses	13,165	8,795	12,000	(3,205)
Miscellaneous	6,304	5,766	6,000	(234)
Interest	3,050	-	-	-
Operating Transfers	59,000	50,000	50,000	0
Total Cash Receipts	<u>548,291</u>	<u>516,017</u>	<u>\$ 542,600</u>	<u>\$ (26,583)</u>
Expenditures				
Personal Services	77,215	84,966	\$ 95,926	\$ (10,960)
Contractual Services	131,522	158,776	295,643	(136,867)
Commodities	24,037	21,337	83,400	(62,063)
Capital Outlay	27,283	50	110,000	(109,950)
Debt Service	168,028	203,858	5,500	198,358
Operating Transfers	124,729	-	-	-
Total Expenditures	<u>552,814</u>	<u>468,987</u>	<u>\$ 590,469</u>	<u>\$ (121,482)</u>
Receipts Over (Under) Expenditures	(4,523)	47,030		
Unencumbered Cash, Beginning	<u>360,274</u>	<u>355,751</u>		
Unencumbered Cash, Ending	<u>\$ 355,751</u>	<u>\$ 402,781</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Waterworks Surplus Fund**  
**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

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

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Sewer Operations Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sale of Service	\$ 184,698	\$ 178,560	\$ 210,000	\$ (31,440)
Special Assessments	2,749	3,019	3,000	19
Reimbursements	-	2,291	-	2,291
Miscellaneous	5,101	5,262	5,000	262
Total Cash Receipts	<u>192,548</u>	<u>189,132</u>	<u>\$ 218,000</u>	<u>\$ (28,868)</u>
Expenditures				
Personal Service	43,930	46,395	\$ 55,381	\$ (8,986)
Commodities	16,685	26,857	33,600	(6,743)
Contractual	49,084	48,021	63,370	(15,349)
Capital Outlay	6,317	2,287	300,000	(297,713)
Debt Service	25,901	30,792	5,860	24,932
KDHE Loan Payments	23,823	23,823	23,823	-
Total Expenditures	<u>165,740</u>	<u>178,175</u>	<u>\$ 482,034</u>	<u>\$ (303,859)</u>
Receipts Over (Under) Expenditures	26,808	10,957		
Unencumbered Cash, Beginning	<u>330,146</u>	<u>356,954</u>		
Unencumbered Cash, Ending	<u>\$ 356,954</u>	<u>\$ 367,911</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 2

**Ambulance Operations Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Cash Receipts				
Charges for Services	\$ 131,455	\$ 135,016	\$ 115,000	\$ 20,016
County Subsidy	322,290	333,152	275,000	58,152
Reimbursements and Miscellaneous	9,710	-	6,500	(6,500)
Total Cash Receipts	<u>463,455</u>	<u>468,168</u>	<u>\$ 396,500</u>	<u>\$ 71,668</u>
Expenditures				
Personal Services	262,548	273,427	\$ 244,158	\$ 29,269
Contractual Services	70,762	85,710	62,900	22,810
Commodities	7,183	10,105	33,250	(23,145)
Capital Outlay	16,353	-	35,000	(35,000)
Total Expenditures	<u>356,846</u>	<u>369,242</u>	<u>\$ 375,308</u>	<u>\$ (6,066)</u>
Receipts Over (Under) Expenditures	106,609	98,926		
Unencumbered Cash, Beginning	<u>203,078</u>	<u>309,687</u>		
Unencumbered Cash, Ending	<u>\$ 309,687</u>	<u>\$ 408,613</u>		

## CITY OF MINNEAPOLIS, KANSAS

Schedule 3

**Agency Funds**  
**Summary of Receipts and Disbursements (Regulatory Basis)**  
**For the Year Ended December 31, 2018**

<u>Funds</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Refuse Billing	\$ 24	\$ 1,514	\$ 790	\$ 748
Municipal Court	<u>11,404</u>	<u>11,755</u>	<u>13,042</u>	<u>10,117</u>
Total	<u>\$ 11,428</u>	<u>\$ 13,269</u>	<u>\$ 13,832</u>	<u>\$ 10,865</u>

**CITY OF MINNEAPOLIS, KANSAS**  
**Related Municipal Entity**  
**Minneapolis Public Library**

Schedule 4

**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
City of Minneapolis Appropriation	\$ 50,936	\$ 52,474
CKLS Grant	8,490	11,642
State Aid	604	569
Local Grants	-	3,995
Fines	1,290	1,664
Donations	2,252	93,650
Miscellaneous	1,456	1,263
Interest	334	497
Total Cash Receipts	<u>65,362</u>	<u>165,754</u>
Expenditures		
Salaries	36,071	37,249
Payroll Taxes	4,169	2,887
Retirement	2,687	2,894
Utilities	3,128	3,154
Insurance	100	300
Continuing Education	924	1,258
Audit	820	840
Advertising	381	642
Supplies	2,102	2,550
Books & Periodicals	11,572	13,866
Repairs and Maintenance	188	325
Miscellaneous	5,410	7,415
Services	322	150
Grants	5,195	-
Computer	2,178	1,701
Total Expenditures	<u>75,247</u>	<u>75,231</u>
Receipts Over (Under) Expenditures	(9,885)	90,523
Unencumbered Cash, Beginning	<u>35,671</u>	<u>25,786</u>
Unencumbered Cash, Ending	<u>\$ 25,786</u>	<u>\$ 116,309</u>

**CITY OF MINNEAPOLIS, KANSAS**  
**Related Municipal Entity**  
**Minneapolis Recreation Commission**

Schedule 4

**Schedule of Receipts and Expenditures (Regulatory Basis)**  
**For the Year Ended December 31, 2018**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
City of Minneapolis	\$ 44,082	\$ 47,398
Interest	144	181
League Fees	4,182	4,801
Grant	-	22,800
Sand Volleyball Fees	120	-
Total Cash Receipts	<u>48,528</u>	<u>75,180</u>
Expenditures		
Wages	8,000	8,000
Payroll Taxes	838	612
Additional Recreation Programs:		
Baseball	1,607	-
Basketball	51	-
Drama	2,052	2,898
Football	206	-
Sand Volleyball	8,059	7,441
Softball	1,340	-
T-Ball	27	-
Volleyball	64	-
Audit	1,240	-
Ballfield Expense	6,702	4,157
Restrooms	337	997
Summer Recreation Equipment	-	720
Insurance	500	1,000
League and Tourney Fees	2,920	3,120
Miscellaneous	253	393
Donation	1,000	-
Long-Term Improvements	-	14,641
Repairs and Maintenance	6,995	2,123
Professional Fees	1,756	2,605
Supplies	113	539
Tennis and Basketball Courts	495	406
T-Shirts	1,296	1,320
Umpire Pay	800	-
Total Expenditures	<u>46,651</u>	<u>50,972</u>
Receipts Over (Under) Expenditures	1,877	24,208
Unencumbered Cash, Beginning	<u>38,885</u>	<u>40,762</u>
Unencumbered Cash, Ending	<u>\$ 40,762</u>	<u>\$ 64,970</u>