



Michael D. Peroo CPA, PA

Exceeding Expectations

CITY OF LEBO, KANSAS

**Financial Statements for the
Year Ended December 31, 2018
And Independent Auditors' Report**

CITY OF LEBO, KANSAS

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council
City of Lebo, Kansas

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

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Lebo 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

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

Additional Supplementary Information

The supplemental schedules on pages 31 thru 32 are not necessary for a fair presentation of the financial statements, but are presented as additional analytical data. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statement on these schedules, and we do not express an opinion on these schedules.

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 February 28, 2018. The 2017 basic financial statement and or accompanying report are not present 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, 2017 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 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.

Michael D. Peroo, CPA, PA

June 11, 2019

Olathe, Kansas

Michael D. Peroo, CPA

Michael D. Peroo, CPA
In Charge of and Actively Engaged
on this Audit

CITY OF LEBO, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>
General Fund	\$ 168,873	\$ 558,829	\$ 473,549	\$ 254,153
Special Revenue Funds:				
Economic Development Fund	69,439	37,091	93,000	13,530
Law Enforcement Fund	17,249	7,241		24,490
Employee Benefit Fund	1,833	28,289	27,505	2,617
Special Highway Fund	4,732	24,477	25,808	3,401
Special Liability Fund	167	2,446	1,489	1,124
Special Park and Recreation Fund	20,369	39,048	41,692	17,725
Capital Project Funds				
Capital Improvement Reserve	64,231	323,500	231,033	156,698
Municipal Equipment Reserve	49,351	15,000	38,500	25,851
Enterprise Funds				
Gas Fund	270,345	273,463	225,259	318,549
Water Fund	177,082	246,552	228,820	194,814
Sewer Fund	154,613	86,766	86,038	155,341
Solid Waste	<u>17,540</u>	<u>65,436</u>	<u>61,888</u>	<u>21,088</u>
Total Reporting Entity	\$ <u>1,015,824</u>	1,708,138	1,534,581	\$ <u>1,189,381</u>
Less Transfers:		<u>137,500</u>	<u>137,500</u>	
Net Receipts and Disbursements		\$ <u>1,570,638</u>	\$ <u>1,397,081</u>	

COMPOSITION OF CASH:

Farmers State Bank of Aliceville - Operating Account	\$ 4,323
Farmers State Bank of Aliceville -Savings	1,156,177
Farmers State Bank of Aliceville - Debit Card	337
Farmers State Bank of Aliceville - Economic Development	13,823
Farmers State Bank of Aliceville - Utility Deposit Savings	14,701
Cash Drawer	<u>20</u>
Total Reporting Entity	\$ <u>1,189,381</u>

CITY OF LEBO, KANSAS

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Basis of Presentation - Fund Accounting - The accounts of the City of Lebo, Kansas are organized on the basis of funds, each of which is considered a separate accounting entity.

The following types of funds comprise the financial activities of the City for 2018.

Governmental funds:

General fund - to account for all unrestricted resources except those required to be accounted for in other funds or account groups.

Special revenue funds - to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Debt service funds - to account for the payment of interest and principal on long-term general debt obligation.

Proprietary funds:

Enterprise funds - to account for operations that are financed and operated in a manner similar to business enterprises, where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

- b. Basis of Accounting - These financial statements are presented on a basis of accounting, which demonstrates compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund. Cash disbursements are recognized when the cash balance of a fund is decreased. For an interfund transaction, a cash disbursement is recorded in the fund from which the cash is transferred. Expenditures include disbursements and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

The municipality has approved a resolution to prepare the financial statements on a cash basis.

- c. Departure from Generally Accepted Accounting Principles - The basis of accounting described above results in a financial statement presentation that shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets, such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance, are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end did not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not

presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

- d. Budgetary Information - Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. 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 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the Budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of notice of Hearing.
4. Adoption of the final budget on or before August 25.

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 the year ended December 31, 2018.

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 cash basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project 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.

- e. Comparative Amounts - The amounts shown for the year ended December 31, 2017 in the accompanying financial statements are included to provide a basis for comparison with 2018 and are not intended to present all information necessary for a fair presentation in accordance with the cash basis and budget laws of Kansas.

2. DEPOSITS

At December 31, 2018 the carrying amounts of the City's deposits were \$1,189,380 and the bank balances were \$1,204,083. The differences between the carrying amount and the bank balances are outstanding checks and deposits in transit. The bank balance is covered by FDIC insurance and collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

3. TAXES

Property Taxes – The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the following year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes is due December 20, prior to the fiscal year for which they are budgeted, and second half is due the following May 10.

Motor Vehicle Taxes – Since 1981 most motor vehicles became subject to a special tax paid at the time of registration instead of the traditional property tax. In 1995, the legislature enacted a five-year phase down in the assessment rate on motor vehicles for 30% to 20% of market value.

In 2018, the City received the following from county and state taxes:

	General Fund	Law Enforcement	City Special Liability	Special Highway Fund	Employee Benefit Fund	Totals
Property Taxes	\$ 147,492	\$ 6,136	\$ 2,184	\$	\$ 23,539	\$ 179,351
Motor Vehicle Taxes	25,093	1,105	262		4,750	31,210
Sales Taxes	129,991					129,991
State Highway Aid				24,477		24,477
	<u>\$ 302,576</u>	<u>\$ 7,241</u>	<u>\$ 2,446</u>	<u>\$ 24,477</u>	<u>\$ 28,289</u>	<u>\$ 365,029</u>

The mill levies are as follows:

	2018	2017
General Fund	29.866	30.078
Employee Benefit Fund	4.762	4.782
Law Enforcement Fund	1.242	1.247
Special Liability	0.443	0.361
	<u>36.313</u>	<u>36.468</u>

The assessed valuation for 2018 was \$4,973,374 and \$4,762,830 in 2017.

4. UTILITIES

The City provides water, sewer, gas and trash services. The City mails their utility bills between the 23rd and the 25th of each month. The utility bills are due by the 1st of the following month. Bills not paid by the 10th are subject to a late charge fee of 10%. If service is disconnected the customer shall pay said bill and penalty and further service charge in the sum of \$50 before turning the water back on.

The water rates were increased in May 2018 as follows:

Inside City (residential):

0-1,000 gallons	\$ 21.00
All above 1,000 gallons	\$ 9.25 per 1,000 gallons
Minimum bill	\$ 20.00

Outside City and Commercial:

0-1,000 gallons	\$ 31.00
All above 1,000 gallons	\$ 10.00 per 1,000 gallons
Minimum bill	\$ 30.00

Wholesale

0 - 10,000	\$ 9.00 per 1,000 gallons
11,000 - 100,000	\$ 8.25 per 1,000 gallons
101,000 - 250,000	\$ 7.25 per 1,000 gallons
all above 250,000	\$ 6.25 per 1,000 gallons

Any person making application for water service is required to make a deposit of \$75.

The sewer rates for 2018 are as follows:

\$15 for the first 1,000 gallons and \$.70 for each additional 1,000 gallons.

The trash rates for 2018 are as follows:

\$13.25 per month for residential solid waste removal.

The gas rates for 2018 are as follows:

\$5.89 per 1,000 cubic feet over the cost of gas per 1,000 MMBTU and the transportation charges per month.

Any person making application for gas service is required to make a deposit of \$200.

5. LONG-TERM DEBT

The City's long-term debt is comprised of two loans from Kansas Department of Health.

Kansas Water Pollution Control Revolving Fund

In July 2005, the City entered into a 20-year loan agreement with Kansas Department of Health and Environment for the construction of a sewer main extension. The total cost of the project was \$467,079.

The amount of the loan is up to \$467,079 (\$183,801 and \$208,994 outstanding at December 31, 2018 and 2017, respectively) bearing interest at a rate of 2.81%, principal and interest payments made on a semi-annual basis beginning one year after the completion of the project.

Changes in Kansas Water Pollution Control Revolving Fund:

Beginning Balance	\$ 208,994
Payments	<u>25,193</u>
Ending Balance	\$ <u>183,801</u>
Interest Payments	\$ <u>6,204</u>
Total Payments	\$ <u>31,397</u>

Payments subsequent to 2018:

	Principal	Interest	Total
2019	\$ 25,970	\$ 5,428	\$ 31,398
2020	26,771	4,627	31,398
2021	27,596	3,802	31,398
2022	28,447	2,951	31,398
2023	29,324	2,074	31,398
2024	30,229	1,169	31,398
2025	<u>15,464</u>	<u>236</u>	<u>15,700</u>
	\$ <u>183,801</u>	\$ <u>20,287</u>	\$ <u>204,088</u>

Kansas Water Supply Revolving Fund

In December 2012, the City entered into a 20-year loan agreement with Kansas Department of Health and Environment for the replacement of approximately 7,000 feet of aging asbestos cement waterlines with PVC waterlines and install an altitude valve on the elevated storage tank. The total cost of the project was estimated at \$406,496.

The amount of the loan is up to \$409,864 (\$341,342 and \$359,028 outstanding at December 31, 2018 and 2017, respectively) bearing interest at a rate of 2.16%, principal and interest payments made on a semi-annual basis beginning February 1, 2015.

Changes in Kansas Water Pollution Control Revolving Fund:

Beginning Balance	\$ 359,028
Payments	<u>17,686</u>
Ending Balance	\$ <u>341,342</u>
Interest Payments	\$ <u>7,659</u>
Total Payments	\$ <u>25,345</u>

Payments subsequent to 2018:

	Principal	Interest	Total
2019	\$ 18,070	\$ 7,276	\$ 25,346
2020	18,463	6,883	25,346
2021	18,864	6,482	25,346
2022	19,273	6,073	25,346
2023	19,692	5,654	25,346
2024	20,119	5,227	25,346
2025	20,556	4,790	25,346
2026	21,003	4,343	25,346
2027	21,459	3,887	25,346
2028	21,925	3,421	25,346
2029	22,401	2,945	25,346
2030	22,888	2,458	25,346
2031	23,385	1,961	25,346
2032	23,892	1,454	25,346
2033	24,411	935	25,346
2034	<u>24,943</u>	<u>403</u>	<u>25,346</u>
	\$ <u>341,342</u>	\$ <u>64,191</u>	\$ <u>405,534</u>

6. CONTRACTS

In 1994, the City entered into a 40-year agreement with Public Wholesale District No. 12, (District) to buy a minimum amount of 3,000,000 gallons per month. The City is to pay the District \$3.42 per 1,000 gallons purchased. Starting January 2006, the rate per 1,000 increased to \$3.45. In December 2007 there was another amendment to the contract when the City of Lebo annexed customers of Coffey County RWD #3 that were within the District's territory. In December 2012 the contract was amended to reduce the minimum to 1,750,000 gallons per month, and the maximum to 3,500,000 per month. The District increased the water rate from \$3.75 to \$4.00 in 2013. The District increased the rate to \$4.50 per 1,000 gallons in September 2017. In 2018 and 2017, respectively, the City purchased 20,022,000 and 19,918,000 gallons from the Public Wholesale District.

In January 2012, the City entered into a ten-year contract with the Kansas Department of Wildlife. In the contract, the City agrees to allow public fishing access on certain tracts of water and the Department of Wildlife will pay the City \$4,075, annually.

The City has contracted with Maguire Iron Co, Inc. to provide maintenance on the 100,000-gallon water towers and 50,000-gallon water towers for nine years. The City's contract began in 2013 and will be payable every other year in the amount of \$1,550 and \$1,350, respectively.

In January 2016, the City entered into a two-year contract with USDI to inspect and maintain the gas system annually. The City will pay \$4,950 annually.

In February 2016, the City entered in to a two-year contract with USDI to complete paperwork and reports related to the gas system. The City will pay \$4,950 annually.

In April 2017 the City entered into a one-year contract with Steve's Trash to collect and dispose of solid waste inside the corporate City limits for \$12.75 per customer, per month. In 2018, the City paid \$63,254 for collection and disposal of solid waste.

In September 2016 the City entered into a contract with Encore Energy Services, Inc (Encore) to provide natural gas to the residents of the City. The City will pay \$3.20 per MMBtu plus transportation, fuel charge and gas loss. In 2018, the City paid Encore \$100,005 for services.

7. COMPENSATED ABSENCES FOR EMPLOYEES

Full time employees of the City will be eligible for vacation and sick leave after six months of service. Eligible employees shall take at least 6 vacation days each year. An employee may carry-over vacation days to the next year, with a maximum carry-over amount allowance of 30 days.

<u>Years of Service</u>	<u>Per year</u>
0-9 years	1 day per month
10-19 years	1 ½ day per month
After 19	2 days per month

Full time employees will receive a maximum of 2 weeks (10 working days) paid sick leave per year. Sick leave is cumulative up to a maximum of 480 hours. On termination an employee will receive one sixth (1/6) a maximum of 80 hours accrued sick leave paid. At December 31, 2018 City employees had a combined balance of 1,061 hours of sick leave, a cash value of \$22,184 and a balance of 784 hours of vacation leave, a cash value of \$16,410.

8. CONCENTRATIONS OF CREDIT RISK

The City is engaged in the sale of water, sewer, gas and trash to customers located in Coffey County in Kansas. The City grants credit to those customers and requires no collateral.

9. CAPITAL PROJECTS

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

	Project Authorization	Expenditures In 2018	Expenditures To Date
Streetscape Project	963,074	289,408	763,458

Although not part of a capital project, the City also made expenditures on the following large items in 2018:

Community building upgrade	\$ 24,735
Walker mower	13,100
Truck	28,500
Disc golf course	12,460
	<u>\$ 78,795</u>

10. COMPLIANCE WITH KANSAS LAW

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and legal representatives of the City. There were no apparent statutory violations during the year ended December 31, 2018 for the funds that were part of this audit.

11. RELATED PARTY

The city was not aware of any related party transactions during the year of 2018.

12. PENSION PLAN

General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, 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% and 8.46% for the fiscal year ended December 31, 2018 and 2017, respectively.

The City has five employees that participate in the Plan. The payroll for the employees covered by the System for 2018 and 2017 was \$200,003 and \$194,463, respectively and the City's total payroll for 2018 and 2017 was \$278,158 and \$267,701.

The contribution requirement for the year ended December 31, 2018 and 2017 was \$28,786 and \$28,120, which consisted of \$12,002 and \$11,668 from the employee, respectively, and \$16,784 and \$16,452 from the City, respectively. The City also contributed \$2,000 for insurance.

Net Pension Liability

At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$163,331. 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 non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

13. INFRASTRUCTURE

The City has elected not to comply with Governmental Accounting Standard No. 34 (GASB 34) regarding the capitalization and tracking of infrastructure or capital assets.

14. RISK MANAGEMENT

The City is exposed to various risks of loss to torts, theft of, damage to, and destruction of assets, job-related injuries and illnesses to employees. To insure against the various risks, the City has obtained various insurance coverage through EMC Insurance Companies. See Schedule of Insurance for details.

15. ADEQUACY OF UTILITY RATES

To determine whether the city was charging adequate rates for sewer, trash, water, and gas the City calculated the operating ratio and debt service ratio as applicable. The target minimum for both of these ratios is 1.20 and 1.25 respectively. The City uses these ratios to facilitate management in measuring the adequacy of the rates. There is no penalty for falling below these benchmarks.

The Operating Ratio for the following funds is as follows:

	Water	Gas	Sewer	Trash
Operating Revenues	\$ 242,450	\$ 272,823	\$ 85,810	\$ 65,436
Operating Expenses	\$ <u>203,474</u>	\$ <u>205,259</u>	\$ <u>44,641</u>	\$ <u>61,888</u>
Operating Ratio	<u>1.19</u>	<u>1.33</u>	<u>1.92</u>	<u>1.06</u>

The Debt Service Ratios for the Sewer and Water Funds are as follows:

Debt Service	Sewer Fund	Water Fund
Net Receipts	\$ 728	\$ 17,732
Add Back:		
Debt Service	31,397	25,346
Transfer Out	<u>10,000</u>	
Available for debt service	\$ 42,125	\$ 43,078
Debt service	\$ <u>31,397</u>	\$ <u>25,346</u>
Debt Service Ratio	<u>1.34</u>	<u>1.70</u>

16. COMMITMENTS AND CONTINGENCIES

The City is not involved in any litigation.

17. TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	\$ 92,500
General Fund	Municipal Equip Reserve Fund	K.S.A. 12-1,117	15,000
Gas Fund	General Fund	K.S.A. 12-825d	20,000
Sewer Fund	General Fund	K.S.A. 12-825d	<u>10,000</u>
			\$ <u>137,500</u>

18. LEASE

The City (lessee) entered into a lease purchase agreement with Flint Hills Bank (lessor) on December 4, 2018. The purpose of the lease is for the upgrade to the downtown of the City. The lessee will pay \$14,453 semi annually beginning June 2, 2019 through December 1, 2028. The interest rate is based on the ten-year treasury plus 150 basis points. Outstanding balance at December 31, 2018 was \$210,000.

Subsequent payments are as follows:

Year	Payment
2019	\$ 28,906
2020	28,906
2021	28,906
2022	28,906
2023	28,906
2024	28,906
2025	28,906
2026	28,906
2027	28,906
2028	28,906
	<u>289,060</u>
Less interest	<u>58,060</u>
	<u>\$ 231,000</u>

19. ECONOMIC DEVELOPMENT

The City's Economic Development program provides loans to businesses in the City. The terms of the loans are 10 years and the interest rate is 4%. The City had outstanding loans of \$241,629 at December 31, 2018. In 2018, the City advanced \$115,425 to three businesses

Note receivable, business, monthly installments of \$800, beginning January 1, 2017 and ending December 1, 2027. Interest rate of 4%.	\$ 65,614
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Note receivable, business, monthly installments of \$452, beginning November 1, 2018 and ending October 1, 2028. Interest rate of 4%.	43,965
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Note receivable, business, monthly installments of \$341, beginning June 1, 2012 and ending May 1, 2022. Interest rate of 4%.	6,593
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Note receivable, business, monthly installments of \$639, beginning May 1, 2017 and ending April 1, 2027. Interest rate of 4%.	13,530
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Note receivable, business, monthly installments of \$255, beginning November 1, 2018 and ending October 1, 2028. Interest rate of 4%	24,740
--	--------

Note receivable, business, monthly installments of \$1,000, beginning September 1, 2018 and ending August 1, 2028. Interest rate of 4%.	87,187
	<u>241,629</u>
\$	<u><u>241,629</u></u>

20. SUBSEQUENT EVENTS

In preparing the financial statements, and according to ASC 855, Subsequent Events, the District has evaluated events and transactions for potential recognition or disclosure through June 11, 2019, the date the financial statements were available to be issued. There are no additional events or transactions that require adjustment to or disclosure in these financial statements except the City received notice of a water rate increase from the District that will take effect February 1, 2019. The rate increase is \$.50 to \$5.00.

* * * * *

CITY OF LEBO, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Expenditures Chargeable to Current Year	Certified Budget	Variance Favorable (Unfavorable)
General Fund	\$ 473,549	\$ 547,720	\$ 74,171
Special Revenue Funds:			
Law Enforcement Fund		14,333	14,333
Employee Benefit Fund	27,505	45,296	17,791
Special Highway Fund	25,808	26,300	492
Special Liability Fund	1,489	2,672	1,183
Special Parks and Recreation Fund	41,692	42,314	622
Enterprise Funds:			
Gas Fund	225,259	227,797	2,538
Water Fund	228,820	237,667	8,847
Sewer Fund	86,038	101,760	15,722
Solid Waste Fund	61,888	61,888	
Total Budgeted Funds	<u>1,172,048</u>	<u>\$ 1,307,747</u>	<u>\$ 135,699</u>
Non Budgeted Funds:			
Capital Improvement Fund	231,033		
Municipal Equipment Reserve	38,500		
Economic Development	93,000		
Total Non Budgeted Funds	<u>362,533</u>		
Total Expenditures	<u>\$ 1,534,581</u>		

CITY OF LEBO, 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)

	2017 Actual	2018 Actual	2018 Budget	Variance Favorable (Unfavorable)
RECEIPTS:				
Property Tax	\$ 143,856	\$ 147,492	\$ 148,535	\$ (1,043)
Sales Tax	104,915	129,991	95,000	34,991
Motor Vehicle Tax	21,589	25,093	25,648	(555)
Intergovernmental Receipts	155,710	155,710	155,710	
Franchise Tax	27,595	29,711	26,000	3,711
Licenses and Fees	5,444	5,358	5,000	358
Swimming Pool	9,234	9,708	8,000	1,708
Fines	6,947	6,288	3,000	3,288
Reimbursements and other	37,065	11,040		11,040
Transferred In	30,000	30,000	30,000	
Interest on Idle Funds	6,658	8,438	600	7,838
Total Receipts	549,013	558,829	\$ 497,493	\$ 61,336
EXPENDITURES				
General Administration:				
Personnel Services	44,756	45,336	40,659	(4,677)
Contractual Services	42,171	33,614	49,000	15,386
Commodities	37,409	33,868	28,000	(5,868)
Miscellaneous	303	3,023		(3,023)
Capital Outlay	2,297	24,736	3,000	(21,736)
	126,936	140,577	120,659	(19,918)
Law Enforcement				
Personnel Services	47,286	69,699	57,773	(11,926)
Contractual Services	6,423	6,882	9,300	2,418
Commodities	15,709	12,128	14,000	1,872
Capital Outlay	9,663	-	9,000	9,000
	79,081	88,709	90,073	1,364
Street Lights				
Contractual Services	18,391	17,884	18,500	616
	18,391	17,884	18,500	616
Parks and Recreation				
Personnel Services		-		
Contractual Services	5,092	1,042	4,800	3,758
Commodities	20,874	23,013	30,000	6,987
	25,966	24,055	34,800	10,745
Infrastructure	155,710	58,375	101,885	43,510
	155,710	58,375	101,885	43,510
Swimming Pool				
Personnel Service	24,117	18,986	24,814	5,828
Contractual Service	2,955	5,592	2,900	(2,692)
Commodities	12,464	11,747	14,589	2,842
Commodities-concessions	2,052	-		-
Sales Tax	151	125		(125)
Capital Outlay		-	2,000	2,000
	41,739	36,450	44,303	7,853
Transfer Out	340,000	107,500	137,500	30,000
Total Expenditures	787,823	473,549	\$ 547,720	\$ 74,169.96
Receipts over (under) Expenditures	(238,809)	85,280		
UNENCUMBERED CASH, BEGINNING	407,682	168,873		
UNENCUMBERED CASH, ENDING	\$ 168,873	\$ 254,153		

CITY OF LEBO, KANSAS

NPV

ECONOMIC DEVELOPMENT FUND**SCHEDULE OF RECEIPTS AND EXPENDITURES****REGULATORY BASIS****FOR THE YEAR ENDED DECEMBER 31, 2018**

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

	2017	2018
RECEIPTS:		
NPV Loan Payments	\$ 44,781	\$ 29,548
Interest Payments	7,857	7,343
Miscellaneous	<u>200</u>	<u>200</u>
Total Receipts	52,838	37,091
EXPENDITURES:		
Tourism	4,500	2,500
Contractual		
Economic Development Loan	<u>20,003</u>	<u>90,500</u>
NPV Total Expenditures	<u>24,503</u>	<u>93,000</u>
Receipts over (under) Expenditures	28,335	(55,909)
UNENCUMBERED CASH, BEGINNING	<u>41,104</u>	<u>69,439</u>
UNENCUMBERED CASH, ENDING	\$ <u><u>69,439</u></u>	\$ <u><u>13,530</u></u>

CITY OF LEBO, KANSAS**LAW ENFORCEMENT 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)

	2017 Actual	2018 Actual	2018 Budget	Variance Favorable (Unfavorable)
RECEIPTS:				
County Tax	\$ 7,154	\$ 7,241	\$ 7,226	\$ 15
Total Receipts	7,154	7,241	<u>7,226</u>	<u>15</u>
EXPENDITURES:				
Capital Outlay			14,333	14,333
Total Expenditures	-		<u>14,333</u>	<u>14,333</u>
Receipts over Expenditures	7,154	7,241		
UNENCUMBERED CASH, BEGINNING	<u>10,095</u>	<u>17,249</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 17,249</u>	<u>\$ 24,490</u>		

CITY OF LEBO, KANSAS**EMPLOYEE BENEFIT 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)

	2017 Actual	2018 Actual	2018 Budget	Variance Favorable (Unfavorable)
RECEIPTS:				
Property and Vehicle Taxes	\$ 29,764	\$ 28,289	\$ 57,755	\$ (29,466)
Total Receipts	29,764	28,289	\$ 57,755	\$ (29,466)
EXPENDITURES:				
Employee Benefit	36,212	27,505	45,296	17,791
Total Expenditures	36,212	27,505	\$ 45,296	\$ 17,791
Receipts over (under) Expenditures	(6,448)	784		
UNENCUMBERED CASH, BEGINNING	8,281	1,833		
UNENCUMBERED CASH, ENDING	\$ 1,833	\$ 2,617		

CITY OF LEBO, KANSAS**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)**

	2017 Actual	2018 Actual	2018 Budget	Variance Favorable (Unfavorable)
RECEIPTS:				
State Tax	\$ 24,225	\$ 24,477	\$ 24,480	\$ (3)
Total Receipts	24,225	24,477	<u>\$ 24,480</u>	<u>\$ (3)</u>
EXPENDITURES:				
Personnel Services	12,822	12,895	15,300	2,405
Contract Expense		4		(4)
Commodities	<u>7,616</u>	<u>12,909</u>	<u>11,000</u>	<u>(1,909)</u>
Total Expenditures	<u>20,438</u>	<u>25,808</u>	<u>\$ 26,300</u>	<u>\$ 492</u>
Receipts over (under) Expenditures	3,787	(1,331)		
UNENCUMBERED CASH, BEGINNING	<u>945</u>	<u>4,732</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 4,732</u>	<u>\$ 3,401</u>		

CITY OF LEBO, KANSAS

SPECIAL LIABILITY 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)

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2018 Budget</u>	<u>Variance Favorable (Unfavorable)</u>
RECEIPTS:				
Property and Vehicle Taxes	\$ 1,805	\$ 2,446	\$ 2,507	\$ (61)
Total Receipts	1,805	2,446	<u>2,507</u>	<u>(61)</u>
EXPENDITURES:				
Contractual Services	<u>1,989</u>	<u>1,489</u>	<u>\$ 2,672</u>	<u>\$ 1,183</u>
Total Expenditures	<u>1,989</u>	<u>1,489</u>	<u>\$ 2,672</u>	<u>\$ 1,183</u>
Receipts over (under) Expenditures	(184)	957		
UNENCUMBERED CASH, BEGINNING	<u>351</u>	<u>167</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 167</u>	<u>\$ 1,124</u>		

CITY OF LEBO, KANSAS**SPECIAL PARK 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)

	2017 Actual	2018 Actual	2018 Budget	Variance Favorable (Unfavorable)
RECEIPTS:				
Coffey County Receipt	\$ 37,868	\$ 37,868	\$ 37,868	\$
Miscellaneous	<u>1,750</u>	<u>1,180</u>		<u>1,180</u>
Total Receipts	39,618	39,048	<u>\$ 37,868</u>	<u>\$ 1,180</u>
EXPENDITURES:				
Personal Cost	5,489	3,365	\$ 5,814	\$ 2,449
Contractual Service	5,575	7,954	9,000	1,046
Commodities	17,873	14,813	17,500	2,687
Capital Outlay	<u>9,007</u>	<u>15,560</u>	<u>10,000</u>	<u>(5,560)</u>
Total Expenditures	<u>37,944</u>	<u>41,692</u>	<u>\$ 42,314</u>	<u>\$ 622</u>
Receipts over (under) Expenditures	1,674	(2,644)		
UNENCUMBERED CASH, BEGINNING	<u>18,695</u>	<u>20,369</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 20,369</u>	<u>\$ 17,725</u>		

CITY OF LEBO, KANSAS

CAPITAL IMPROVEMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

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

	2017	2018
RECEIPTS:		
Lease proceeds	\$	\$ 231,000
Transferred from General	<u>325,000</u>	<u>92,500</u>
Total Receipts	325,000	323,500
EXPENDITURES:		
Capital outlay	<u>483,290</u>	<u>231,033</u>
Total Expenditures	<u>483,290</u>	<u>231,033</u>
Receipts over (under) Expenditures	(158,290)	92,467
UNENCUMBERED CASH, BEGINNING	<u>222,521</u>	<u>64,231</u>
UNENCUMBERED CASH, ENDING	\$ <u><u>64,231</u></u>	\$ <u><u>156,698</u></u>

CITY OF LEBO, KANSAS
MUNICIPAL EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018

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

	2017	2018
RECEIPTS:		
Transferred from General	\$ 15,000	\$ 15,000
Total Receipts	15,000	15,000
EXPENDITURES:		
Capital Outlay		38,500
Total Expenditures	-	38,500
Receipts over (under) Expenditures	15,000	(23,500)
UNENCUMBERED CASH, BEGINNING	34,351	49,351
UNENCUMBERED CASH, ENDING	\$ 49,351	\$ 25,851

CITY OF LEBO, KANSAS**GAS 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)

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2018 Budget</u>	<u>Variance Favorable (Unfavorable)</u>
RECEIPTS:				
Sales - Customers	\$ 196,054	\$ 268,743	\$ 225,000	\$ 43,743
Sales Tax	2,732	4,080	3,233	847
Interest Income	45	59	450	(391)
Reimbursed Expenses and Other Income	<u>245</u>	<u>581</u>		<u>581</u>
Total Receipts	199,076	273,463	<u>\$ 228,683</u>	<u>\$ 44,780</u>
EXPENDITURES:				
Personnel Services	63,626	54,689	\$ 57,712	\$ 3,023
Contractual Services	106,390	126,709	131,625	4,916
Commodities	18,186	19,776	15,000	(4,776)
Stored Gas Property Tax	24	22	17	(5)
Sales Tax and Other	2,755	4,063	3,443	(620)
Transfer	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Expenditures	<u>210,981</u>	<u>225,259</u>	<u>\$ 227,797</u>	<u>\$ 2,538</u>
Receipts over (under) Expenditures	(11,905)	48,204		
UNENCUMBERED CASH, BEGINNING	<u>282,250</u>	<u>270,345</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 270,345</u>	<u>\$ 318,549</u>		

CITY OF LEBO, KANSAS**WATER 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)

	2017	2018	2018	Variance
	Actual	Actual	Budget	Favorable (Unfavorable)
RECEIPTS:				
Water Sales - Customer	\$ 220,460	\$ 241,448	\$ 245,500	\$ (4,052)
Sales tax	863	1,002	1,051	(49)
Reimbursed Expenses and Other Income	562	4,050	500	3,550
Interest on Idle Funds	25	52	500	(448)
Total Receipts	221,910	246,552	\$ 247,551	\$ (999)
EXPENDITURES:				
Personnel	62,444	55,011	\$ 73,289	\$ 18,278
Contractual Services	120,388	133,305	121,032	(12,273)
Commodities	14,514	12,972	15,000	2,028
Debt Service	25,346	25,346	25,346	
Other	3,293	2,186	3,000	814
Total Expenditures	225,985	228,820	\$ 237,667	\$ 8,847
Receipts over (under) Expenditures	(4,075)	17,732		
UNENCUMBERED CASH, BEGINNING	181,157	177,082		
UNENCUMBERED CASH, ENDING	\$ 177,082	\$ 194,814		

CITY OF LEBO, KANSAS**SEWER 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)

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2018 Budget</u>	<u>Variance Favorable (Unfavorable)</u>
RECEIPTS:				
Sales - Customers	\$ 83,710	\$ 85,810	\$ 84,000	\$ 1,810
Special Assessments	<u>956</u>	<u>956</u>	<u>956</u>	
Total Receipts	84,666	86,766	<u>\$ 84,956</u>	<u>\$ 1,810</u>
EXPENDITURES:				
Personnel Services	29,836	25,748	\$ 36,363	\$ 10,615
Contractual Services	11,628	4,521	10,000	5,479
Commodities	13,060	14,372	14,000	(372)
Debt Service	31,397	31,397	31,397	
Transfer to General	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	-
Total Expenditures	<u>95,921</u>	<u>86,038</u>	<u>\$ 101,760</u>	<u>\$ 15,722</u>
Receipts over (under) Expenditures	(11,255)	728		
UNENCUMBERED CASH, BEGINNING	<u>165,868</u>	<u>154,613</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 154,613</u>	<u>\$ 155,341</u>		

CITY OF LEBO, KANSAS

SOLID WASTE 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)

	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2018 Budget</u>	<u>Variance Favorable (Unfavorable)</u>
RECEIPTS:				
Sales - Customers	\$ 64,703	\$ 65,436	\$ 64,000	\$ 1,436
Total Receipts	64,703	65,436	<u>\$ 64,000</u>	<u>\$ 1,436</u>
EXPENDITURES:				
Contractual Services	<u>61,888</u>	<u>61,888</u>	<u>\$ 61,888</u>	<u>\$ -</u>
Total Expenditures	<u>61,888</u>	<u>61,888</u>	<u>\$ 61,888</u>	<u>\$ -</u>
Receipts over Expenditures	2,815	3,548		
UNENCUMBERED CASH, BEGINNING	<u>14,725</u>	<u>17,540</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 17,540</u>	<u>\$ 21,088</u>		

CITY OF LEBO, KANSAS

SCHEDULE OF SELECTED UTILITY OPERATING DATA YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
WATER STATISTICS:		
Number of customers	443	443
Gallons sold	18,650,400	18,187,600
Gallons purchased	20,022,000	19,918,000
Water loss percentage	6.85%	8.69%
Average monthly usage per customer	3,508	3,421
Charges for service	\$ 241,448	\$ 220,460
Average customer charge per month	\$ 45.41	\$ 41.46

CITY OF LEBO, KANSAS

SCHEDULE OF OTHER OPERATING DATA YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
Population	888	888
Assessed Valuation	\$ 4,973,374	\$ 4,762,830
Mill Levy	36.313	36.886
Total Receipts	\$ 1,570,638	\$ 1,336,093
Total Disbursements	\$ 1,397,081	\$ 1,139,535
Indebtedness	\$ 525,143	\$ 568,022
Receipts per Capita	\$ 1,769	\$ 1,505
Disbursements per Capita	\$ 1,573	\$ 1,283
Bond Indebtedness per Capita	\$ 591	\$ 640