

CITY OF HOXIE, KANSAS

***Primary Government Financial
Statement with Independent
Auditors' Report***

For the Year Ended December 31, 2018

CITY OF HOXIE, KANSAS

Primary Government Financial Statement with Independent Auditors' Report

For the Year Ended December 31, 2018

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Title Page	
Table of Contents	i
FINANCIAL SECTION	
Independent Auditor's Report	1
STATEMENT 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statement	5
REGULATORY REQUIRED SUPPLEMENTAL INFORMATION	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)	18
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget	
A General Fund	19
B Library Fund	24
C Employee Benefits Fund	25
D Street Resurfacing Fund	26
E Airport Fund	27
F Special Highway Fund	28
G Fuller Cemetery Fund	29
H Special Parks and Recreation Fund	30
I Bed Tax Fund	31
J Bond and Interest Fund	32

CITY OF HOXIE, KANSAS

Primary Government Financial Statement with Independent Auditors' Report

For the Year Ended December 31, 2018

TABLE OF CONTENTS

	<u>Page Number</u>
K Water and Sewer Utility Fund	33
L Refuse Utility Fund	34
M Sewer Maintenance Fund	35
N Capital Improvement Fund	36
O Equipment Reserve Fund	37
P Pool Project Fund	38
Q 125th Celebration Fund	39
R Hoxie Recreation Fund	40
S Sewer Capital Project Fund	42
 SCHEDULE 3	
Summary of Receipts and Disbursements - Agency Funds	43

James V. Myers, Chartered

P.O. Box 772
Hoxie, Kansas 67740

Certified Public Accountant

Phone: 785-675-3711
Fax: 785-675-3580

INDEPENDENT AUDITOR'S REPORT

City Commissioners
City of Hoxie, Kansas
829 Main Street
Hoxie, KS 67740

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Hoxie, 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 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

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 City of Hoxie, 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 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 my 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 City of Hoxie, 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 my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of City of Hoxie, 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 1.

Other Matters

Supplemental Information

My 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, and schedule of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2, and 3 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 my opinion, the information is fairly stated in all material

respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Prior Year Comparative Analysis

The 2017 actual column 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.

City of Hoxie, Kansas' basic financial statement for the year ended December 31, 2017 (not presented herein), was audited by other auditors whose report dated July 9, 2018, expressed an unmodified opinion on the basic financial statement. The 2017 basic financial statement and the other auditor's report 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 report of the other auditors dated July 9, 2018, stated that the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2017 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, and in their opinion, was 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.



James V. Myers
Certified Public Accountant

August 9, 2019

CITY OF HOXIE, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2018

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General Fund:						
General Fund	\$ 54,093	\$ 684,514	\$ 620,040	\$ 118,567	\$ 9,694	\$ 128,261
Special Purpose Funds:						
Library Fund	5,582	45,023	42,160	8,445	-	8,445
Employee Benefits Fund	72,864	198,266	202,026	69,104	3,525	72,629
Street Resurfacing Fund	205,952	69,972	39,718	236,206	-	236,206
Airport Fund	31,152	5,132	2,165	34,119	994	35,113
Special Highway Fund	393	32,225	30,067	2,551	-	2,551
Fuller Cemetery Fund	30,037	19,095	26,509	22,623	-	22,623
Special Parks and Recreation Fund	116	1,208	-	1,324	-	1,324
Bed Tax Fund	940	3,219	2,500	1,659	-	1,659
Capital Improvement Fund	111,352	30,318	20,615	121,055	-	121,055
Equipment Reserve Fund	118,455	41,000	35,054	124,401	-	124,401
Pool Project Fund	33,991	-	13,864	20,127	-	20,127
125th Celebration Fund	3,959	-	3,959	-	-	-
Hoxie Recreation Fund	20,588	179,958	187,943	12,603	-	12,603
Sewer Capital Project Fund	-	100,000	-	100,000	-	100,000
Bond and Interest Fund:						
Bond and interest	76,853	312,486	295,751	93,588	-	93,588
Business Funds:						
Water and Sewer Utility Fund	67,856	294,037	312,905	48,988	3,851	52,839
Refuse Utility Fund	87,421	178,390	189,311	76,500	3,594	80,094
Sewer Maintenance Fund	253,580	166,284	257,879	161,985	37,159	199,144
Total Primary Government (Excluding Agency Funds)	\$ 1,175,184	\$ 2,361,127	\$ 2,282,466	\$ 1,253,845	\$ 58,817	\$ 1,312,662
		Checking accounts				\$ 957,923
		Savings accounts				100,753
		Petty cash				100
		Money market accounts				15,995
		Certificates of deposit				250,000
		Total Cash				1,324,771
		Agency Funds per Schedule 3				(12,109)
		Total Primary Government (Excluding Agency Funds)				\$ 1,312,662

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

CITY OF HOXIE, KANSAS

NOTES TO THE FINANCIAL STATEMENT For the Year Ended December 31, 2018

Note 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

City of Hoxie, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than account principles generally accepted in the United States of America. The following is a summary of such significant policies.

The City is a municipal corporation governed by an elected three-member commission. This financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

Airport Authority – The City's Airport Authority operates the City's Airport. The airport authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Unaudited financial statements can be obtained by contacting the airport authority's office.

Housing Authority – The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements can be obtained by contacting the housing authority's office.

Public Library – The City's Library Board operates the City's public 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. Unaudited financial statements can be obtained by contacting the library.

The City is the primary government as defined in GASB #61. The City commission is elected by the public. The commission has the authority to make decisions, levy taxes, influence operations, and has the primary accountability in fiscal matters.

Note 1: Summary of Significant Accounting Policies (continued)

B. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The 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.

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do 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. Capital assets that account for the land, buildings, and equipment owned by the City are not presented in the financial statement. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, and temporary notes are not presented in the financial statement.

C. Regulatory basis fund types

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Note 1: Summary of Significant Accounting Policies (continued)

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 regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

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

Agency Funds – 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.).

D. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by UGC – MSD (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments in the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the general fund.

E. Property taxes

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Note 1: Summary of Significant Accounting Policies (continued)

F. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

G. Reimbursements

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

H. Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could defer from those estimates.

I. Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the agency funds of the City for special purposes.

Note 2: Budgetary Information

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

1. Preparation of 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.

Note 2: Budgetary Information (continued)

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the 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 budget expenditure authority lapses at year end.

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

- Capital Improvements Fund
- Equipment Reserve Fund
- Pool Project Fund
- 125th Celebration Fund
- Hoxie Recreation Fund
- Sewer Capital Project Fund

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

Note 3: Deposits & Investments

City of Hoxie, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures, and unencumbered cash.

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

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

Concentration of credit risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2018 is 100% guaranteed investment contracts secured by U.S. Treasury and Agencies.

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 does not use designated "peak periods". All deposits were legally secured at December 31, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$1,324,771 and the bank balance was \$1,373,205. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$365,376 was covered by federal depository insurance and \$1,007,829 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Note 3: Deposits & Investments (continued)

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. The City had no investments of this type at December 31, 2018.

Note 4: Interfund Transfers

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas statutes. City of Hoxie Kansas' interfund transfers and regulatory authority for the year ended December 31, 2018 were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Refuse	Equipment Reserve	12-1, 117	\$10,000
Refuse	General	12-1, 117	10,000
Water/Sewer	Capital Improvements	12-825d	20,000
Water/Sewer	Equipment Reserve	12-1, 117	31,000
Water/Sewer	Bond and Interest	12-825d	17,500
Water/Sewer	Cash Water Meter	12-1, 117	4,705
General	Hoxie Recreation	Commission	5,000
Sewer Mtn	Sewer Capital Project	79-1946	<u>100,000</u>
Total			<u>\$198,205</u>

Note 5: Compensated Absences

The City's policy regarding vacation entitles employees to five days of vacation upon the completion of one year's continuous service from the date of employment. Each employee is entitled to 10 days of vacation on January 1 following the full year worked and each January 1 thereafter. After 10 years of full-time employment, the employee shall receive 1 extra day for each year over 10 of employment to a maximum of 20 days, with the last 10 to be optional as days off or paid. Vacation is not cumulative. Any employee who is eligible for vacation, but has not yet taken it at the time he/she terminates or is terminated, will receive his/her vacation pay at the regular rates at the time of termination. There was no unpaid accrual for vacation pay as of December 31, 2018.

Note 5: Compensated Absences (continued)

The City's policy for sick leave permits a full-time employee to earn sick leave at the rate of eight hours for each full month of service. On the 2nd January 1st following the employee's date of hire, each employee shall earn 12 hours of sick leave for each month of service. No employee may accrue more than 1,000 hours of sick leave. Employees are not paid for any unused sick leave upon termination of his/her employment with the City, except those employees retiring between the ages of 55 and 70, or leaving after 20 or more years of service. Such employees will be paid 1/3 of their sick leave hours at their regular rate of pay. The potential liability for sick leave at December 31, 2018 was \$18,017. This is not reflected in the financial statement.

Note 6: General Information about the Pension Plan

Plan description: City of Hoxie, Kansas 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 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$47,179 for the year ended December 31, 2018.

Note 6: General Information about the Pension Plan (continued)

Net Pension Liability: At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$384,142. 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. UGC's proportion of the net pension liability was based on the ratio of UGC'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.

Note 7: Deferred Compensation Plan

City of Hoxie, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

Note 8: Risk Management

City of Hoxie, Kansas carries commercial insurance for risks of loss, including property, general liability, automobile, umbrella, linebacker, workers' compensation, law enforcement coverage, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Note 9: Litigation

City of Hoxie, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

Note 10: Grants and Shared Revenues

City of Hoxie, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

Note 11: Compliance Matters

There were no compliance matters for City of Hoxie, Kansas for the year ended December 31, 2018.

Note 12: Other Post Employment Benefits

As provided by K.S.A. 12-5040, City of Hoxie, Kansas allows retirees 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.

Note 13: Capital Projects in Process

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

	Project <u>Authorization</u>	Expenditures <u>To Date</u>
Sewer Project	\$ 100,000	\$ -0-

Note 14: Evaluation of Subsequent Events

In March 2018, the City accepted a Small Cities Community Development Block Grant for \$600,000 to help with the sewer project. The total project is estimated to cost approximately \$4,362,000. The remaining balance will be financed by debt.

The organization has evaluated subsequent events through August 9, 2019, the date which the financial statement was available to be issued.

Note 15: Long-Term Debt

Changes in long-term liabilities for City of Hoxie, Kansas 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 Obligation Bonds:									
Street Bond 2003 Series-A	5.0% - 5.9%	11/1/2003	\$ 137,000	3/1/2024	\$ 70,000	\$ -	\$ 10,000	\$ 60,000	\$ 3,250
Water Bond 2003 Series-B	4.15% - 5.9%	11/1/2003	380,000	3/1/2024	185,000	-	25,000	160,000	8,625
Sunrise Addition 2014-A	3.0% - 6.3%	12/17/2014	2,045,000	12/31/2035	1,905,000	-	80,000	1,825,000	93,308
Sunrise Addition 2014-B	3.0% - 6.3%	12/17/2014	205,000	12/31/2035	195,000	-	10,000	185,000	9,403
Royal Extension 2014-C	3.0% - 6.3%	12/17/2014	120,000	12/31/2035	110,000	-	5,000	105,000	5,466
Sunrise Addition 2015-A	3.0% - 6.3%	11/4/2015	69,000	3/1/2035	63,000	-	2,000	61,000	3,133
Sunrise Addition 2015-B	3.0% - 6.3%	11/4/2015	32,000	3/1/2035	29,000	-	1,000	28,000	1,443
BTI Project 2016	3.0% - 6.3%	3/1/2016	128,000	7/1/2025	112,000	-	14,000	98,000	2,713
KDOT Loan:									
Transportation Rev Loan	3.68%	6/1/2010	213,795	8/1/2027	123,843	-	10,350	113,493	4,557
Capital Lease:									
Sewer Jetter	3.50%	4/20/2016	57,709	4/1/2020	43,922	-	14,152	29,770	1,539
Trash Truck	4.25%	12/15/2018	106,350	12/15/2023	-	106,350	-	106,350	-
Total Contractual Indebtedness									
					\$ 2,836,765	\$ 106,350	\$ 171,502	\$ 2,771,613	\$ 133,437

Note 15: Long-Term Debt (continued)

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

Issue	Year								Total
	2019	2020	2021	2022	2023	2024 - 2028	2029 - 2033	2034 - 2038	
Principal									
General Obligation Bonds									
Street Bond 2003 Series-A	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 60,000
Water Bond 2003 Series-B	25,000	25,000	25,000	25,000	30,000	30,000	-	-	160,000
Sunrise Addition 2014-A	85,000	85,000	85,000	90,000	90,000	505,000	600,000	285,000	1,825,000
Sunrise Addition 2014-B	10,000	10,000	10,000	10,000	10,000	50,000	55,000	30,000	185,000
Royal Extension 2014-C	5,000	5,000	5,000	5,000	5,000	25,000	35,000	20,000	105,000
Sunrise Addition 2015-A	2,000	3,000	3,000	3,000	3,000	16,000	21,000	10,000	61,000
Sunrise Addition 2015-B	1,000	1,000	1,000	1,000	1,000	9,000	10,000	4,000	28,000
BTI Project 2016	14,000	14,000	14,000	14,000	14,000	28,000	-	-	98,000
KDOT Loan	10,757	11,179	11,619	12,075	12,550	55,313	-	-	113,493
Capital Lease									
Sewer Jetter	14,648	15,122	-	-	-	-	-	-	29,770
Trash Truck	19,516	20,347	21,234	22,149	23,104	-	-	-	106,350
Total Principal	196,921	199,648	185,853	192,224	198,654	728,313	721,000	349,000	2,771,613
Interest									
General Obligation Bonds									
Street Bond 2003 Series-A	\$ 2,750	\$ 2,250	\$ 1,750	\$ 1,250	\$ 750	\$ 250	\$ -	\$ -	\$ 9,000
Water Bond 2003 Series-B	7,375	6,125	4,875	3,625	2,250	750	-	-	25,000
Sunrise Addition 2014-A	90,520	87,439	84,251	80,858	77,145	321,156	179,748	18,042	939,159
Sunrise Addition 2014-B	9,065	8,703	8,327	7,940	7,528	30,962	18,043	1,882	92,450
Royal Extension 2014-C	5,297	5,116	4,929	4,735	4,529	19,306	12,320	1,255	57,487
Sunrise Addition 2015-A	3,065	2,974	2,861	2,745	2,621	11,079	6,318	627	32,290
Sunrise Addition 2015-B	1,410	1,373	1,336	1,297	1,256	5,241	2,709	251	14,873
BTI Project 2016	2,363	2,019	1,663	1,313	963	878	-	-	9,199
KDOT Loan	4,177	3,781	3,369	2,942	2,497	5,186	-	-	21,952
Capital Lease									
Sewer Jetter	1,043	568	-	-	-	-	-	-	1,611
Trash Truck	4,583	3,752	2,865	1,950	995	-	-	-	14,145
Total Interest	131,648	124,100	116,226	108,655	100,534	394,808	219,138	22,057	1,217,166
Total Principal and Interest	\$ 328,569	\$ 323,748	\$ 302,079	\$ 300,879	\$ 299,188	\$ 1,123,121	\$ 940,138	\$ 371,057	\$ 3,988,779

**REGULATORY REQUIRED
SUPPLEMENTAL INFORMATION**

CITY OF HOXIE, KANSAS
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)
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>
Governmental Type Funds:					
General Funds:					
General Fund	\$ 654,635	\$ -	\$ 654,635	\$ 620,040	\$ (34,595)
Special Purpose Funds:					
Library Fund	45,572	-	45,572	42,160	(3,412)
Employee Benefits Fund	249,484	-	249,484	202,026	(47,458)
Street Resurfacing Fund	290,674	-	290,674	39,718	(250,956)
Airport Fund	34,676	-	34,676	2,165	(32,511)
Special Highway Fund	32,331	-	32,331	30,067	(2,264)
Special Parks & Recreation Fund	189	-	189	-	(189)
Fuller Cemetery Fund	45,691	-	45,691	26,509	(19,182)
Bed Tax Fund	3,500	-	3,500	2,500	(1,000)
Bond and Interest Funds:					
Bond and Interest Fund	385,148	-	385,148	295,751	(89,397)
Business Funds:					
Water and Sewer Utility Fund	354,500	-	354,500	312,905	(41,595)
Refuse Utility Fund	239,000	-	239,000	189,311	(49,689)
Sewer Maintenance Fund	283,193	-	283,193	257,879	(25,314)

CITY OF HOXIE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 228,447	\$ 234,643	\$ 235,437	\$ (794)
Delinquent tax	1,132	1,046	1,130	(84)
Motor vehicle tax	33,767	42,307	31,920	10,387
16/20M vehicle tax	749	587	673	(86)
Recreational vehicle tax	692	816	693	123
Neighborhood revitalization rebate	(15,771)	-	-	-
Total Taxes and Shared Revenues	\$ 249,016	\$ 279,399	\$ 269,853	\$ 9,546
Intergovernmental Revenues				
Federal aid	\$ 8,186	\$ -	\$ -	\$ -
State aid	1,018	-	-	-
Connecting links	3,490	3,492	3,500	(8)
Local sales tax	112,239	142,554	115,000	27,554
Alcohol tax	53	1,208	75	1,133
Franchise tax	89,402	88,925	90,000	(1,075)
Total Intergovernmental Revenues	\$ 214,388	\$ 236,179	\$ 208,575	\$ 27,604
Licenses and Permits				
Licenses	\$ 1,315	\$ 1,150	\$ 1,000	\$ 150
Dog and cat tags	95	90	150	(60)
Total Licenses and Permits	\$ 1,410	\$ 1,240	\$ 1,150	\$ 90

CITY OF HOXIE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Charges for Services				
Court	\$ 46,819	\$ 34,070	\$ 40,000	\$ (5,930)
Pool	18,690	19,654	24,000	(4,346)
Total Charges for Services	\$ 65,509	\$ 53,724	\$ 64,000	\$ (10,276)
Use of Money and Property				
Building Rent	\$ 11,650	\$ 13,400	\$ 12,800	\$ 600
Equipment Rental	105	188	300	(112)
Total Use of Money and Property	\$ 11,755	\$ 13,588	\$ 13,100	\$ 488
Other				
Miscellaneous	\$ 104	\$ 124	\$ 1,000	\$ (876)
Reimbursed expenses	15,802	27,336	20,000	7,336
Grants	57,200	49,663	-	49,663
Insurance proceeds	19,401	-	-	-
Capital credits	-	-	-	-
Interest	1,595	2,125	1,500	625
Donations	-	11,136	-	11,136
Total Other	\$ 94,102	\$ 90,384	\$ 22,500	\$ 67,884
Transfers In				
Refuse utility fund	\$ -	\$ 10,000	\$ 25,000	\$ (15,000)
Total Receipts	\$ 636,180	\$ 684,514	\$ 604,178	\$ 80,336

CITY OF HOXIE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
General Government				
Personal services	\$ 105,408	\$ 124,611	\$ 130,000	\$ (5,389)
Commodities	6,797	8,294	15,000	(6,706)
Contractual services	91,479	119,283	65,000	54,283
Capital outlay	55,590	-	60,000	(60,000)
Neighborhood Revitalization Rebate	-	25,724	23,185	2,539
Total General Government	\$ 259,274	\$ 277,912	\$ 293,185	\$ (15,273)
Street				
Personal services	\$ 15,166	\$ 31,609	\$ 23,000	\$ 8,609
Commodities	17,034	15,376	25,000	(9,624)
Contractual services	38,583	51,065	38,000	13,065
Capital outlay	-	20,000	33,000	(13,000)
Total Street	\$ 70,783	\$ 118,050	\$ 119,000	\$ (950)
Park and Pool				
Personal services	\$ 30,056	\$ 26,094	\$ 29,000	\$ (2,906)
Commodities	37,138	19,850	30,000	(10,150)
Contractual services	40,618	30,335	32,000	(1,665)
Total Park and Pool	\$ 107,812	\$ 76,279	\$ 91,000	\$ (14,721)

CITY OF HOXIE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Police				
Personal services	\$ 106,687	\$ 100,783	\$ 110,000	\$ (9,217)
Commodities	7,848	13,649	15,000	(1,351)
Contractual services	27,981	25,732	15,000	10,732
Capital outlay	21,902	-	-	-
Dispatch/E911	-	-	10,000	(10,000)
Total Police	<u>\$ 164,418</u>	<u>\$ 140,164</u>	<u>\$ 150,000</u>	<u>\$ (9,836)</u>
Cemetery				
Commodities	\$ 463	\$ 199	\$ 1,200	\$ (1,001)
Contractual services	233	2,436	250	2,186
Total Cemetery	<u>\$ 696</u>	<u>\$ 2,635</u>	<u>\$ 1,450</u>	<u>\$ 1,185</u>
Transfers				
Hoxie Recreation	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,000</u>
Total Transfers	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,000</u>
Legal General Fund Budget	\$ 607,983	\$ 620,040	\$ 654,635	\$ (34,595)
Adjustment for Qualifying Budget Credits				
Grants over amount budgeted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 607,983</u>	<u>\$ 620,040</u>	<u>\$ 654,635</u>	<u>\$ (34,595)</u>

CITY OF HOXIE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts Over (Under) Expenditures	\$ 28,197	\$ 64,474		
Unencumbered Cash, Beginning	25,896	54,093		
Unencumbered Cash, Ending	<u>\$ 54,093</u>	<u>\$ 118,567</u>		

CITY OF HOXIE, KANSAS
Library 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)
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 33,496	\$ 37,946	\$ 38,071	\$ (125)
Delinquent tax	260	178	260	(82)
Motor vehicle tax	7,137	6,635	4,680	1,955
16/20M vehicle tax	119	136	99	37
Recreational vehicle tax	146	128	102	26
Neighborhood revitalization rebate	(2,312)	-	-	-
Total Receipts	\$ 38,846	\$ 45,023	\$ 43,212	\$ 1,811
Expenditures				
Contractual	\$ 33,526	\$ -	\$ 3,823	\$ (3,823)
Appropriation	-	38,000	38,000	-
Neighborhood revitalization rebate	-	4,160	3,749	411
Total Expenditures	\$ 33,526	\$ 42,160	\$ 45,572	\$ (3,412)
Receipts Over (Under) Expenditures	\$ 5,320	\$ 2,863		
Unencumbered Cash, Beginning	262	5,582		
Unencumbered Cash, Ending	\$ 5,582	\$ 8,445		

CITY OF HOXIE, 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)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 171,093	\$ 161,762	\$ 162,309	\$ (547)
Delinquent tax	1,278	930	1,280	(350)
Motor vehicle tax	37,974	34,189	23,906	10,283
16/20M vehicle tax	616	727	504	223
Recreational vehicle tax	776	658	519	139
Neighborhood revitalization rebate	(11,812)	-	-	-
Total Receipts	<u>\$ 199,925</u>	<u>\$ 198,266</u>	<u>\$ 188,518</u>	<u>\$ 9,748</u>
Expenditures				
Personal services	\$ 171,134	\$ 155,902	\$ 193,500	\$ (37,598)
Contractual	-	28,390	40,000	(11,610)
Neighborhood revitalization rebate	-	17,734	15,984	1,750
Total Expenditures	<u>\$ 171,134</u>	<u>\$ 202,026</u>	<u>\$ 249,484</u>	<u>\$ (47,458)</u>
Receipts Over (Under) Expenditures	\$ 28,791	\$ (3,760)		
Unencumbered Cash, Beginning	<u>44,073</u>	<u>72,864</u>		
Unencumbered Cash, Ending	<u>\$ 72,864</u>	<u>\$ 69,104</u>		

CITY OF HOXIE, KANSAS
Street Resurfacing 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	Actual	Budget	(Under)
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 59,563	\$ 57,421	\$ 57,615	\$ (194)
Delinquent tax	466	320	470	(150)
Motor vehicle tax	12,665	11,767	8,323	3,444
16/20M vehicle tax	222	238	175	63
Recreational vehicle tax	259	226	181	45
Neighborhood revitalization rebate	(4,112)	-	-	-
Total Receipts	<u>\$ 69,063</u>	<u>\$ 69,972</u>	<u>\$ 66,764</u>	<u>\$ 3,208</u>
Expenditures				
Contractual	\$ 19,999	\$ 33,423	\$ 285,000	\$ (251,577)
Neighborhood revitalization rebate	-	6,295	5,674	621
Total Expenditures	<u>\$ 19,999</u>	<u>\$ 39,718</u>	<u>\$ 290,674</u>	<u>\$ (250,956)</u>
Receipts Over (Under) Expenditures	\$ 49,064	\$ 30,254		
Unencumbered Cash, Beginning	<u>156,888</u>	<u>205,952</u>		
Unencumbered Cash, Ending	<u>\$ 205,952</u>	<u>\$ 236,206</u>		

CITY OF HOXIE, KANSAS
Airport 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	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 3,885	\$ 4,310	\$ 4,326	\$ (16)
Delinquent tax	30	21	30	(9)
Motor vehicle tax	844	770	543	227
16/20M vehicle tax	15	16	11	5
Recreational vehicle tax	17	15	12	3
Neighborhood revitalization rebate	(268)	-	-	-
Total Receipts	\$ 4,523	\$ 5,132	\$ 4,922	\$ 210
Expenditures				
Commodities	\$ 1,239	\$ -	\$ 9,250	\$ (9,250)
Contractual	701	1,692	25,000	(23,308)
Neighborhood revitalization rebate	-	473	426	47
Total Expenditures	\$ 1,940	\$ 2,165	\$ 34,676	\$ (32,511)
Receipts Over (Under) Expenditures	\$ 2,583	\$ 2,967		
Unencumbered Cash, Beginning	28,569	31,152		
Unencumbered Cash, Ending	\$ 31,152	\$ 34,119		

CITY OF HOXIE, 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)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
State gas tax	\$ 31,328	\$ 32,225	\$ 31,670	\$ 555
Expenditures				
Personal services	\$ 33,460	\$ 30,067	\$ 32,331	\$ (2,264)
Contractual	125	-	-	-
Total Expenditures	\$ 33,585	\$ 30,067	\$ 32,331	\$ (2,264)
Receipts Over (Under) Expenditures	\$ (2,257)	\$ 2,158		
Unencumbered Cash, Beginning	2,650	393		
Unencumbered Cash, Ending	\$ 393	\$ 2,551		

CITY OF HOXIE, KANSAS
Fuller Cemetery 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 (Under)
		Actual	Budget	
Receipts				
Sale of lots	\$ 100	\$ 800	\$ 300	\$ 500
Farm income	17,600	13,650	17,600	(3,950)
Grave opening	2,925	4,525	3,500	1,025
Permits	20	120	50	70
Total Receipts	<u>\$ 20,645</u>	<u>\$ 19,095</u>	<u>\$ 21,450</u>	<u>\$ (2,355)</u>
Expenditures				
Personal services	\$ 12,132	\$ 17,333	\$ 20,000	\$ (2,667)
Contractual	2,663	2,462	2,500	(38)
Commodities	6,714	6,714	10,000	(3,286)
Capital Outlay	-	-	13,191	(13,191)
Total Expenditures	<u>\$ 21,509</u>	<u>\$ 26,509</u>	<u>\$ 45,691</u>	<u>\$ (19,182)</u>
Receipts Over (Under) Expenditures	\$ (864)	\$ (7,414)		
Unencumbered Cash, Beginning	<u>30,901</u>	<u>30,037</u>		
Unencumbered Cash, Ending	<u>\$ 30,037</u>	<u>\$ 22,623</u>		

CITY OF HOXIE, KANSAS
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 Over (Under)
		Actual	Budget	
Receipts				
Special Liquor Tax	\$ 52	\$ 1,208	\$ 75	\$ 1,133
Expenditures				
Contractual	\$ -	\$ -	\$ 189	\$ (189)
Receipts Over (Under) Expenditures	\$ 52	\$ 1,208		
Unencumbered Cash, Beginning	64	116		
Unencumbered Cash, Ending	\$ 116	\$ 1,324		

CITY OF HOXIE, KANSAS
Bed Tax 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 Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Revenue				
Local Bed Tax	\$ 2,414	\$ 3,219	\$ 3,000	\$ 219
Expenditures				
Contractual	\$ 2,500	\$ 2,500	\$ 3,500	\$ (1,000)
Receipts Over (Under) Expenditures	\$ (86)	\$ 719		
Unencumbered Cash, Beginning	1,026	940		
Unencumbered Cash, Ending	\$ 940	\$ 1,659		

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 70,606	\$ 56,325	\$ 56,517	\$ (192)
Delinquent tax	444	327	445	(118)
Motor vehicle tax	14,605	14,301	9,866	4,435
16/20M vehicle tax	93	322	208	114
Recreational vehicle tax	297	275	214	61
Special assessment	222,022	223,436	223,436	-
Transfers In				
Water and sewer utility fund	17,500	17,500	17,500	-
Neighborhood revitalization rebate	(4,874)	-	-	-
Total Receipts	\$ 320,693	\$ 312,486	\$ 308,186	\$ 4,300
Expenditures				
Principal	\$ 146,959	\$ 157,350	\$ 157,350	\$ -
Interest	137,273	131,898	131,902	(4)
Commission and fees	355	328	330	(2)
Cash basis reserve	-	-	90,000	(90,000)
Neighborhood revitalization rebate	-	6,175	5,566	609
Total Expenditures	\$ 284,587	\$ 295,751	\$ 385,148	\$ (89,397)
Receipts Over (Under) Expenditures	\$ 36,106	\$ 16,735		
Unencumbered Cash, Beginning	40,747	76,853		
Unencumbered Cash, Ending	\$ 76,853	\$ 93,588		

CITY OF HOXIE, KANSAS
Water and Sewer Utility 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)
Receipts				
Customer charges	\$ 270,725	\$ 280,757	\$ 325,000	\$ (44,243)
Late charges	1,870	1,866	1,900	(34)
Connection fees	1,900	931	1,900	(969)
Bulk	1,209	1,100	1,500	(400)
Federal aid	5,887	-	-	-
State aid	732	-	-	-
Reimbursed expenses	13,048	9,383	1,000	8,383
Total Receipts	\$ 295,371	\$ 294,037	\$ 331,300	\$ (37,263)
Expenditures				
Personal services	\$ 154,208	\$ 134,804	\$ 150,000	\$ (15,196)
Commodities	28,057	19,404	57,000	(37,596)
Contractual	94,297	85,492	85,000	492
Transfers out				
Capital improvement fund	10,000	20,000	35,000	(15,000)
Equipment reserve fund	5,000	31,000	10,000	21,000
Bond and interest fund	17,500	17,500	17,500	-
Water meter deposit fund	-	4,705	-	4,705
Total Expenditures	\$ 309,062	\$ 312,905	\$ 354,500	\$ (41,595)
Receipts Over (Under) Expenditures	\$ (13,691)	\$ (18,868)		
Unencumbered Cash, Beginning	81,547	67,856		
Unencumbered Cash, Ending	\$ 67,856	\$ 48,988		

CITY OF HOXIE, KANSAS
Refuse Utility 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	Actual	Budget	(Under)
Receipts				
Customer charges	\$ 174,266	\$ 176,408	\$ 186,200	\$ (9,792)
Bags	560	490	500	(10)
Containers	700	1,400	700	700
Interest	1,214	-	-	-
Miscellaneous	132	92	150	(58)
Total Receipts	<u>\$ 176,872</u>	<u>\$ 178,390</u>	<u>\$ 187,550</u>	<u>\$ (9,160)</u>
Expenditures				
Personal services	\$ 77,955	\$ 97,847	\$ 95,000	\$ 2,847
Commodities	9,315	13,487	15,000	(1,513)
Contractual	17,651	17,367	9,000	8,367
Landfill	41,580	40,610	60,000	(19,390)
Transfers out				
Capital outlay	-	-	25,000	(25,000)
General fund	-	10,000	25,000	(15,000)
Equipment reserve fund	15,000	10,000	10,000	-
Total Expenditures	<u>\$ 161,501</u>	<u>\$ 189,311</u>	<u>\$ 239,000</u>	<u>\$ (49,689)</u>
Receipts Over (Under) Expenditures	\$ 15,371	\$ (10,921)		
Unencumbered Cash, Beginning	<u>72,050</u>	<u>87,421</u>		
Unencumbered Cash, Ending	<u>\$ 87,421</u>	<u>\$ 76,500</u>		

CITY OF HOXIE, KANSAS
Sewer Maintenance 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)
Receipts				
Customer charges	\$ 164,587	\$ 166,284	\$ 105,600	\$ 60,684
Expenditures				
Personal services	\$ -	\$ -	\$ 10,000	\$ (10,000)
Contractual	-	142,188	257,502	(115,314)
Principal	13,787	14,152	14,152	-
Interest	1,904	1,539	1,539	-
Transfers out				
Sewer capital project fund	-	100,000	-	100,000
Total Expenditures	\$ 15,691	\$ 257,879	\$ 283,193	\$ (25,314)
Receipts Over (Under) Expenditures	\$ 148,896	\$ (91,595)		
Unencumbered Cash, Beginning	104,684	253,580		
Unencumbered Cash, Ending	\$ 253,580	\$ 161,985		

Schedule 2-N

CITY OF HOXIE, KANSAS
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
Receipts		
Bond proceeds	\$ -	\$ -
Grant income	-	10,318
Reimbursements	-	-
State aid	-	-
Transfers in		
Water and sewer utility fund	10,000	20,000
Total Receipts	\$ 10,000	\$ 30,318
Expenditures		
Contract services	\$ 10,466	\$ 20,615
Fees	-	-
Legal services	-	-
Total Expenditures	\$ 10,466	\$ 20,615
Receipts Over (Under) Expenditures	\$ (466)	\$ 9,703
Unencumbered Cash, Beginning	111,818	111,352
Unencumbered Cash, Ending	\$ 111,352	\$ 121,055

Schedule 2-O

CITY OF HOXIE, KANSAS
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
Receipts		
Transfers in		
Refuse utility fund	\$ 15,000	\$ 10,000
Water and sewer utility fund	5,000	31,000
Total Receipts	\$ 20,000	\$ 41,000
Expenditures		
Commodities	\$ -	\$ 35,054
Receipts Over (Under) Expenditures	\$ 20,000	\$ 5,946
Unencumbered Cash, Beginning	98,455	118,455
Unencumbered Cash, Ending	\$ 118,455	\$ 124,401

Schedule 2-P

CITY OF HOXIE, KANSAS
Pool Project 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
Receipts		
Donations	\$ 1,580	\$ -
Expenditures		
Operating supplies	\$ -	\$ 13,864
Receipts Over (Under) Expenditures	\$ 1,580	\$ (13,864)
Unencumbered Cash, Beginning	32,411	33,991
Unencumbered Cash, Ending	<u>\$ 33,991</u>	<u>\$ 20,127</u>

Schedule 2-Q

**CITY OF HOXIE, KANSAS
125th Celebration 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
Receipts		
Donations	\$ -	\$ -
Expenditures		
Commodities	\$ -	\$ 3,959
Receipts Over (Under) Expenditures	\$ -	\$ (3,959)
Unencumbered Cash, Beginning	3,959	3,959
Unencumbered Cash, Ending	<u>\$ 3,959</u>	<u>\$ -</u>

Schedule 2-R

CITY OF HOXIE, KANSAS
Hoxie Recreation 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
Receipts		
Banner and other sponsors	\$ 7,275	\$ 8,600
Concession stand income	9,402	10,457
Fundraiser income	3,361	7,131
County funds	5,400	5,303
Donations	4,100	12,802
Grants	4,570	97,580
Interest income	1	2
Reimbursements	939	3,817
Miscellaneous	6,370	9,221
Participation fees	15,570	18,045
Tournament income	1,710	2,000
Transfers in		
General	5,000	5,000
Total Receipts	\$ 63,698	\$ 179,958
Expenditures		
Advertising	\$ 417	\$ 115
Bank service charges	-	-
Banner expense	1,143	-
Coaches	2,500	3,140
Concession stand	4,072	5,474
Contract labor	444	1,324
Director fees	10,020	11,284
Equipment	1,515	1,218
Fuel	389	556
Fun day expense	1,477	828
Fundraiser expense	-	3,039

Schedule 2-R

CITY OF HOXIE, KANSAS
Hoxie Recreation 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
Grant expense	-	113,098
Improvements	14,845	19,446
Insurance	-	293
League expenses	2,195	3,055
Meals and entertainment	406	2,474
Miscellaneous	880	1,728
Postage	197	154
Professional fees	-	200
Red ribbon expense	864	130
Referees/umpires	7,524	10,251
Repairs and maintenance	1,948	2,628
Supervisor	353	1,270
Supplies	2,057	3,489
Tournament expense	2,410	-
Uniforms	4,671	2,749
Total Expenditures	\$ 60,327	\$ 187,943
Receipts Over (Under) Expenditures	\$ 3,371	\$ (7,985)
Unencumbered Cash, Beginning	17,217	20,588
Unencumbered Cash, Ending	\$ 20,588	\$ 12,603

Schedule 2-S

CITY OF HOXIE, KANSAS
Sewer Capital Project 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
Receipts		
Transfers in		
Sewer utility fund	\$ -	\$ 100,000
Expenditures		
Commodities	\$ -	\$ -
Receipts Over (Under) Expenditures	\$ -	\$ 100,000
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 100,000

CITY OF HOXIE, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2018

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Municipal court	\$ 348	\$ 38,494	\$ 38,380	\$ 462
Meter deposit	300	4,705	-	5,005
Flexible spending account	<u>3,563</u>	<u>10,645</u>	<u>7,566</u>	<u>6,642</u>
Total	<u>\$ 4,211</u>	<u>\$ 53,844</u>	<u>\$ 45,946</u>	<u>\$ 12,109</u>