

HESSTON RECREATION COMMISSION

HESSTON, KANSAS

FINANCIAL STATEMENT

For the Year Ended June 30, 2017

Hesston Recreation Commission
For the Year Ended June 30, 2017

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Knudsen Monroe & Company LLC

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Hesston Recreation Commission
Hesston, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Hesston Recreation Commission, a municipal entity, as of and for the year ended June 30, 2017 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require 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 Commission'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 Commission'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 Commission 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 Commission as of June 30, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Commission as of June 30, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2017 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget and the 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 additional analysis and are not a required part of the 2017 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 2017 basic financial statement. The 2017 information has been 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 information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2016 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which we rendered an unmodified opinion dated August 21, 2017. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole, on the basis of accounting described in Note 1.

Krudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas

August 21, 2017

Hesston Recreation Commission

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

REGULATORY BASIS

For the Year Ended June 30, 2017

| Funds | Beginning Unencumbered Cash Balance | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|---|---|----------------|----------------|--|--|---------------------------|
| General Fund | \$ 86,851 | 663,479 | 372,556 | 377,774 | 7,270 | 385,044 |
| Special Purpose Fund: | | | | | | |
| Employee Benefit and and Tort Liability Fund | <u>16,213</u> | <u>45,164</u> | <u>24,177</u> | <u>37,200</u> | <u>6,052</u> | <u>43,252</u> |
| Total Financial Reporting Entity | <u>\$ 103,064</u> | <u>708,643</u> | <u>396,733</u> | <u>414,974</u> | <u>13,322</u> | <u>428,296</u> |

Composition of Cash

| | |
|-----------------------------------|-------------------|
| Citizens State Bank, Checking | \$ 154,846 |
| Citizens State Bank, Money Market | <u>273,617</u> |
| | 428,463 |
| Less Agency Funds per Schedule 3 | <u>167</u> |
| | <u>\$ 428,296</u> |

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

Hesston Recreation Commission
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

Hesston Recreation Commission (Commission) is a municipality governed by an appointed five-member board. Two members are appointed by the City of Hesston, two members are appointed by Unified School District #460, and one member is appointed at-large from the community. The regulatory basis financial statement presents the Commission (the municipality) with no related municipal entities.

Regulatory Basis Fund Types

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.

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

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

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

The Commission 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 Commission to use the regulatory basis of accounting.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund and special purpose fund (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget. Per KSA 12-1927, a recreation commission must:

- Not less than 10 days prior to the public hearing on the proposed budget, publish the proposed budget and notice of time and place of the meeting in a local newspaper.
- Hold a public hearing not less than 10 days prior to the date on which the Commission is required to certify its budget to the city or school district.

Hesston Recreation Commission
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Not later than August 1st, certify its budget to such city or school district.
- Adoption of the final budget and submitted to the county clerk 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 the year ended June 30, 2017.

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

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

A legal operating budget is not required for Agency funds.

2. AGREEMENT WITH UNIFIED SCHOOL DISTRICT NO. 460

The Commission has entered into an agreement with Unified School District No. 460 that defines their respective rights, responsibilities, and obligations with regard to the operation and administration of the public recreation system.

The agreement primarily defines the employment of a recreation director, facilities and equipment rentals; respective financial responsibilities for replacement and/or repairs; and acquisition or construction of new projects.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Management is not aware of any statutory violations occurring in the year ended June 30, 2017.

4. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Commission. The statute requires banks eligible to hold the Commission's funds have a main or branch bank in the county in which the Commission 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

Hesston Recreation Commission
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2017

4. DEPOSITS AND INVESTMENTS (Continued)

requires the banks to pledge securities for deposits in excess of FDIC coverage. The Commission has no policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Commission'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 Commission has no investment policy that would further limit its investment choices. As of June 30, 2017, the Commission held no investments.

Concentration of Credit Risk

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

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. State statutes require the Commission's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2017.

At year end the carrying amount of the Commission's deposits was \$428,463, and the bank balance was \$456,101. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining \$206,101 was collateralized with securities held by pledging financial institutions' agents in the Commission's name.

5. CAPITAL LEASE

On June 15, 2016, the Commission entered into a ten year sublease agreement with the City of Hesston, this sublease shall automatically renew for an additional one year term, unless the Commission has provided written notice of termination to the City (Sub lessor) at least ten years prior to the proposed termination date. These lease payments will provide funding for the City of Hesston's Public Building Commission's Revenue Bonds, Series 2016-A, issued by the City of Hesston in the amount of \$5,555,000 for the purpose, in part, of purchasing, constructing, furnishing and equipping recreation facilities on real estate located within the City of Hesston.

Change in the capital lease for the year ended June 30, 2017, was as follows:

| Issue | Interest Rates | Date of Issue | Amount of Issue | Maturity Date | Balance 6/30/16 | Additions | Reductions | Balance 6/30/17 | Interest Paid |
|-------------------------|-------------------|------------------|--------------------|------------------|---------------------|-----------|------------|--------------------|------------------|
| Capital Lease | | | | | | | | | |
| City of Hesston, Kansas | 2.0-3.0% | 6/15/2016 | \$ 5,550,000 | 6/14/2026 | <u>\$ 5,550,000</u> | <u>-</u> | <u>-</u> | <u>5,550,000</u> | <u>119,089</u> |

Hesston Recreation Commission
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2017

5. CAPITAL LEASE (Continued)

The annual debt service requirement for this lease for the next five years and in five year increments through maturity is as follows:

| | Year ended June 30 | | | | | 2023 to | 2028 to | 2033 to | Total |
|----------------------------|--------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2027 | 2032 | 2038 | |
| Capital Lease | | | | | | | | | |
| Principal | \$ 170,000 | 220,000 | 225,000 | 230,000 | 235,000 | 1,270,000 | 1,480,000 | 1,720,000 | 5,550,000 |
| Interest | <u>156,500</u> | <u>152,600</u> | <u>148,150</u> | <u>143,600</u> | <u>141,300</u> | <u>578,250</u> | <u>372,450</u> | <u>132,375</u> | <u>1,825,225</u> |
| Total Principal & Interest | <u>\$ 326,500</u> | <u>372,600</u> | <u>373,150</u> | <u>373,600</u> | <u>376,300</u> | <u>1,848,250</u> | <u>1,852,450</u> | <u>1,852,375</u> | <u>7,375,225</u> |

6. OPERATING LEASE

The Commission has an agreement with the Unified School District #460, Hesston, whereby they lease the recreation building and sports facilities. The Commission pays an annual fee of \$5,000 to the District.

The Commission entered into an operating lease agreement with Konica Minolta Premier Finance for the lease of a Konica Minolta Bizhub C220 color copier, for a period of 60 months. Payments totaling \$2,707 were made in the year ended June 30, 2017. Future scheduled payments to maturity are as follows:

| | |
|------|-----------------|
| 2018 | \$ 2,508 |
| 2019 | 2,508 |
| 2020 | <u>1,254</u> |
| | <u>\$ 6,270</u> |

7. DEFINED BENEFIT PENSION PLAN

Plan Description

The Commission 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.

Funding Policy

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.

Hesston Recreation Commission
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2017

7. DEFINED BENEFIT PENSION PLAN (Continued)

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 are 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 0% moratorium until June 30, 2017 for Death and Disability Program) and the statutory contribution rate was 9.18% for the period July 1 to December 31, 2016. The rate was 8.46% for the period January 1 to June 30, 2017. Contributions to the pension plan from the Commission were \$7,291 for the year ended June 30, 2017.

Net Pension Liability

At June 30, 2016, the Commission's proportionate share of the collective net pension liability reported by KPERS, was \$64,975. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The Commission's proportion of the net pension liability would have been based on the ratio of the Commission'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.

8. COMPENSATED ABSENCES

Full-time employees (30 or more hours per week) earn 10 to 15 days of vacation per year depending on position. Unused vacation time has not been recorded as a liability in the accompanying financial statement.

All full time employees (30 or more hours per week) accrue sick leave at the rate of fifteen days per year. Unused sick leave may be accrued from year to year, except that the maximum accrual shall not exceed 45 days. Unused sick leave is not paid to employees upon termination. Unused sick leave has not been recorded as a liability in the accompanying financial statements.

9. RELATED PARTY TRANSACTIONS

A commission board member is an owner of an insurance agency that provides insurance to the Commission for property, liability, and workers' compensation. Premiums in the amount of \$6,430 were paid for this coverage and are deemed to be on terms equivalent to those that prevail in an arm's length transaction.

Hesston Recreation Commission
NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2017

10. CLAIMS AND ADJUSTMENTS

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

During the ordinary course of its operations the Commission is exposed to various claims, legal action and complaints. It is of the opinion of the Commission's management that any current matters are not anticipated to have a material impact of the Commission.

11. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to June 30, 2017, to determine the need for any adjustments to and/or disclosures within the audited financial statements. Management has performed their analysis through August 21, 2017, which is the date at which the financial statement was available to be issued.

HESSTON RECREATION COMMISSION

REGULATORY - REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2017

Hesston Recreation Commission
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended June 30, 2017

| | Certified Budget | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance Over (Under) |
|--|---------------------|--|-----------------------------------|---|-----------------------------|
| General Fund | \$ 659,561 | - | 659,561 | 372,556 | (287,005) |
| Special Purpose Fund | | | | | |
| Employee Benefit and Tort Liability | <u>41,044</u> | <u>-</u> | <u>41,044</u> | <u>24,177</u> | <u>(16,867)</u> |
| | <u>\$ 700,605</u> | <u>-</u> | <u>700,605</u> | <u>396,733</u> | <u>(303,872)</u> |

Hesston Recreation Commission

General Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended June 30, 2017

(With comparative actual totals for the prior year ended June 30, 2016)

| GENERAL | 2016 Actual | 2017 | | Variance Over (Under) |
|------------------------------------|----------------|----------------|----------------|-----------------------------|
| | | Actual | Budget | |
| RECEIPTS | | | | |
| Appropriations from USD No. 460 | \$ 165,000 | 560,019 | 541,729 | 18,290 |
| Pool fees | 29,599 | 28,744 | 26,500 | 2,244 |
| League fees | 30,789 | 32,366 | 37,200 | (4,834) |
| Babe Ruth | 7,036 | 8,463 | 6,800 | 1,663 |
| Special trips | 1,691 | 1,247 | 1,600 | (353) |
| Emma Creek festival | 27,808 | 23,555 | 24,000 | (445) |
| Sponsorships | 5,843 | 2,550 | - | 2,550 |
| Interest on idle funds | 174 | 414 | - | 414 |
| Other activities | 5,413 | 3,950 | - | 3,950 |
| Miscellaneous receipts | 5,299 | 2,171 | 2,500 | (329) |
| | <u>278,652</u> | <u>663,479</u> | <u>640,329</u> | <u>23,150</u> |
| EXPENDITURES | | | | |
| General administration | 94,417 | 108,143 | 96,000 | 12,143 |
| Pool operation | 45,520 | 52,279 | 54,092 | (1,813) |
| Baseball and softball | 10,615 | 9,458 | 12,000 | (2,542) |
| Basketball | 9,176 | 15,143 | 15,600 | (457) |
| Babe Ruth | 9,208 | 11,903 | 8,500 | 3,403 |
| Soccer | 3,250 | 4,825 | 7,000 | (2,175) |
| Volleyball | 561 | 1,371 | 4,000 | (2,629) |
| Flag football | 801 | - | - | - |
| Tennis | 4,232 | 3,979 | 3,200 | 779 |
| Swim team | 6,124 | 6,839 | 6,500 | 339 |
| Special trips | 1,116 | 1,727 | 3,400 | (1,673) |
| Emma Creek festival | 16,067 | 17,348 | 19,000 | (1,652) |
| Operation of vehicles | 2,855 | 1,355 | 3,600 | (2,245) |
| Capital improvements | 249 | 5,338 | 23,955 | (18,617) |
| Facility rental | 5,000 | 5,000 | 5,000 | - |
| Facility improvements | - | 119,089 | 388,763 | (269,674) |
| Miscellaneous activities | 1,503 | 3,485 | 4,951 | (1,466) |
| Other activities | 4,442 | 5,274 | 4,000 | 1,274 |
| | <u>215,136</u> | <u>372,556</u> | <u>659,561</u> | <u>(287,005)</u> |
| Receipts over (under) expenditures | 63,516 | 290,923 | | |
| UNENCUMBERED CASH, beginning | <u>23,335</u> | <u>86,851</u> | | |
| UNENCUMBERED CASH, ending | \$ 86,851 | 377,774 | | |

Hesston Recreation Commission

Special Purpose Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended June 30, 2017

(With comparative actual totals for the prior year ended June 30, 2016)

| | | 2017 | | |
|--|------------------|---------------|---------------|-----------------|
| | 2016 | | | Variance |
| | Actual | Actual | Budget | Over (Under) |
| EMPLOYEE BENEFIT AND TORT LIABILITY FUND | | | | |
| RECEIPTS | | | | |
| Appropriations from Unified School District No. 460 | \$ 38,450 | 45,164 | 40,210 | 4,954 |
| EXPENDITURES | | | | |
| Employee benefits | 8,803 | 9,983 | 11,000 | (1,017) |
| Health insurance | 8,318 | 5,352 | 10,000 | (4,648) |
| Retirement benefits | 7,201 | 7,291 | 7,500 | (209) |
| Workers compensation insurance | 2,908 | 1,551 | 4,500 | (2,949) |
| Cash reserve fund | - | - | 8,044 | (8,044) |
| | <u>27,230</u> | <u>24,177</u> | <u>41,044</u> | <u>(16,867)</u> |
| Receipts over (under) expenditures | 11,220 | 20,987 | | |
| UNENCUMBERED CASH, beginning | <u>4,993</u> | <u>16,213</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 16,213</u> | <u>37,200</u> | | |

Hesston Recreation Commission

Agency Fund

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

REGULATORY BASIS

For the Year Ended June 30, 2017

| <u>Fund</u> | <u>Beginning Cash Balance</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Ending Cash Balance</u> |
|----------------|-----------------------------------|-----------------|----------------------|--------------------------------|
| Sales Tax Fund | \$ <u>-</u> | <u>480</u> | <u>313</u> | <u>167</u> |