

CITY OF EDGERTON, KANSAS

FINANCIAL STATEMENT

WITH INDEPENDENT AUDITOR'S REPORT

AND

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

December 31, 2018

CITY OF EDGERTON, KANSAS
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April 16, 2019

Mayor and City Council
City of Edgerton, Kansas

Independent Auditor's Report

We have audited the accompanying summary statement of receipts, expenditures, and unencumbered cash - regulatory basis of the City of Edgerton, Kansas (the 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 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit includes examining, on a test basis, evidence supporting 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 to the financial statement, the financial statement is prepared by the City to meet the requirements of the State of 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.

Independent Auditor's Report

April 16, 2019
City of Edgerton, Kansas
(Continued)

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.

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.

Report on Regulatory-Required Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of receipts, expenditures, and unencumbered cash - regulatory basis (basic financial statement) as a whole. The summary of expenditures - actual and budget - regulatory basis - and individual fund schedules of receipts and expenditures - actual and budget - regulatory basis (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional 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 respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Additional Information

The Prior Year Actual column presented in the individual fund schedules of receipts and expenditures - actual and budget - regulatory basis - (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2018 financial statement upon which we rendered an unmodified opinion dated April 16, 2019. The 2017 basic financial statement and the 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://da.ks.gov/ar/muniserv/>. Such prior year 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 prior year basic financial statement. The prior year comparative information was subjected to the auditing procedures applied in the audit of the prior year 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 prior year basic financial statement or to the prior year 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 prior year comparative information is fairly stated in all material respects in relation to the prior year basic financial statement as a whole, on the basis of accounting described in Note 1.

Vannoy & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

CITY OF EDGERTON, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2018

| Fund | Beginning Unencumbered Cash Balance | Prior Year Cancelled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add: Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
|------------------------------|--|--|--------------------------|---------------------|---|---|------------------------------------|
| General Fund | \$ 1,582,616 | \$ - | \$ 3,663,864 | \$ 3,520,831 | \$ 1,725,649 | \$ 190,644 | \$ 1,916,293 |
| Special Purpose Funds | | | | | | | |
| Special Highway | 3,018 | - | 47,990 | 46,589 | 4,419 | - | 4,419 |
| Equipment Reserve | 113,895 | - | 403,261 | 131,386 | 385,770 | - | 385,770 |
| Special Parks and Recreation | 21,932 | - | 3,107 | - | 25,039 | - | 25,039 |
| Excise Tax | 448,861 | - | 135,647 | 201,952 | 382,556 | - | 382,556 |
| Park Impact | 618,236 | - | 287,918 | 5,023 | 901,131 | - | 901,131 |
| Origination Fees | 3,072,295 | - | 3,707,878 | 1,885,404 | 4,894,769 | 1,493 | 4,896,262 |
| Mayor's Holiday | 48,545 | - | 24,169 | 14,656 | 58,058 | 13,156 | 71,214 |
| Non-LPKC Origination Fees | 50,017 | - | 564 | - | 50,581 | - | 50,581 |
| Parks Fund | 2,106 | - | 24 | - | 2,130 | - | 2,130 |
| Fire Fee Fund | 1,000 | - | 44,812 | 45,812 | - | - | - |
| BBCWWTP Major Maintenance | - | - | 100,828 | - | 100,828 | - | 100,828 |
| Bond and Interest | 171,449 | - | 757,299 | 255,053 | 673,695 | - | 673,695 |
| Capital Projects Funds | | | | | | | |
| Capital Improvement | (1,958,204) | - | 7,254,160 | 8,049,309 | (2,753,353) | 2,041,336 | (712,017) |
| Public Infrastructure | 2,757,929 | - | 6,631,768 | 6,753,393 | 2,636,304 | 1,493 | 2,637,797 |
| LPKC 2 Public Infrastructure | - | - | 905,983 | - | 905,983 | - | 905,983 |
| 2012A GO Bond Reserve | 263,811 | - | 44 | - | 263,855 | - | 263,855 |
| Business Funds | | | | | | | |
| Water Utility | 317,763 | - | 471,017 | 562,912 | 225,868 | 18,929 | 244,797 |
| Water Reserve | 113,615 | - | - | 85,238 | 28,377 | - | 28,377 |
| Water System Development | 170,350 | - | 8,600 | 149,067 | 29,883 | - | 29,883 |
| Water Equipment Reserve | 82,992 | - | - | - | 82,992 | - | 82,992 |
| Sewer Utility | 256,291 | - | 818,455 | 639,786 | 434,960 | 19,320 | 454,280 |

STATEMENT 1

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

Financial Statement

CITY OF EDGERTON, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2018

| Fund | Beginning Unencumbered Cash Balance | Prior Year Cancelled Encumbrances | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add: Outstanding Encumbrances and Accounts Payable | Ending Cash Balance |
|--|--|--|--------------------------|----------------------|---|---|------------------------------------|
| Business Funds | | | | | | | |
| Sewer Reserve | \$ 16,330 | \$ - | \$ - | \$ - | \$ 16,330 | \$ - | \$ 16,330 |
| Sewer System Development | 749,792 | - | 78,961 | 78,212 | 750,541 | - | 750,541 |
| Sewer Equipment Reserve | 32,058 | - | 35,275 | - | 67,333 | - | 67,333 |
| Total Reporting Entity (Excluding Agency Funds) | \$ 8,936,697 | \$ - | \$ 25,381,624 | \$ 22,424,623 | \$ 11,893,698 | \$ 2,286,371 | \$ 14,180,069 |
| Composition of Cash | | | | | | | |
| Central Bank of the Midwest | | | | | | | |
| Super NOW | | | | | | | \$ 5,127,330 |
| Municipal Court | | | | | | | 1,000 |
| Commerce Bank | | | | | | | |
| Trust Accounts | | | | | | | 6,534,101 |
| TD Ameritrade | | | | | | | |
| Trust Accounts | | | | | | | 2,517,388 |
| Total Cash on Deposit | | | | | | | \$ 14,179,819 |
| Cash on Hand | | | | | | | 250 |
| Total Cash Municipal Reporting Entity | | | | | | | \$ 14,180,069 |

STATEMENT 1
(CONTINUED)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

Financial Statement

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2018

Note 1: Summary of Significant Accounting Policies

The City of Edgerton, Kansas (the City) is a municipal corporation governed by a mayor and elected five-member council. The accounting policies of the City conform to the cash-basis and budget laws of Kansas (regulatory basis). The following is a summary of the more significant policies:

Municipal Financial Reporting Entity

The municipal financial reporting entity is comprised of the primary government. There are no component units included in the municipal financial reporting entity.

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In the financial statement in this report, the various funds are grouped into generic fund types and broad fund categories as follows:

General Fund - The general fund is the chief operating fund of the City. It is used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - Special purpose funds are used to account for the proceeds of specific tax levies and other specific revenue sources intended for specified purposes.

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

Business Funds - Business funds are used to account for funds financed in whole or in part by fees charged to users of the goods or services.

Capital Project Funds - Capital project funds are used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Basis of Accounting

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 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 revenues 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 municipality 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 municipality to use the regulatory basis of accounting.

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but 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 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.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues 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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds and the following special purpose and business funds: Equipment Reserve, Excise Tax, Park Impact, Capital Improvements, Origination Fees, Mayor's Holiday, Fire Review & Inspection Fees, Water Reserve, Water System Development, Water Equipment Reserve, Sewer Reserve, Sewer System Development and Sewer Equipment Reserve Fund.

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

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Notes to Financial Statement

Note 2: Deposits and Investments

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

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

K.S.A. 10-131 governs bond proceeds, and allows for (9) investments in shares or units of a money market fund or trust the portfolio of which is comprised entirely of securities described in (3) or (6). Securities in (3) or (6) include treasury securities. The mutual fund is a treasury only mutual fund, and is therefore permitted under state law.

As of December 31, 2018, the City had the following investments and maturities:

| Investment Type | Fair Value | Investment Maturity Less than 1 Year | Rating |
|------------------------|---------------------|---|---------------|
| Cash | \$ 3,194,545 | \$ 3,194,545 | NA |
| Agency Securities | 5,540,623 | 4,891,363 | NA |
| Treasury Notes | 313,387 | 313,387 | NA |
| Total | \$ 9,048,555 | \$ 8,399,295 | |

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

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

As of December 31, 2018, the City's carrying amount of the deposits was \$14,179,818 and the bank balance was \$14,224,956. The bank balance was held by two banks and an investment broker, resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, \$9,051,489 was held in agencies or shares of money market funds as allowed by K.S.A. 10-131, and \$4,923,467 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Note 3: Defined Benefit Pension Plan
Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, KS 66503) or by calling 1-888-275-5737.

Contributions. KSA 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 fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$102,102 for the year ended December 31, 2018.

Net Pension Liability. At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$741,900. 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 assumption and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

Note 4: Long-Term Debt

General Obligation Bonds. The City issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds have been issued for general government activities.

General Obligation Bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued with equal amounts of principal maturing each year. General Obligation Bonds currently outstanding are as follows:

| Purpose | Date Issued | Date of Final Maturity | Interest Rates | Original Amount | Balance December 31, 2018 |
|--|--------------------|-------------------------------|-----------------------|------------------------|----------------------------------|
| Paid by revenues: | | | | | |
| General Obligation Bonds, Series 2012A | 9/27/2012 | 8/1/2034 | .75 - 4.00% | \$ 3,600,000 | \$ 3,395,000 |
| General Obligation Bonds, Series 2016A | 8/1/2016 | 8/1/2046 | 2.00 - 3.00% | 245,000 | 245,000 |
| General Obligation Bonds, Series 2016B | 9/15/2016 | 8/1/2048 | 3.00% | 3,190,000 | 3,190,000 |
| Total General Obligation Bonds | | | | <u>\$ 7,035,000</u> | <u>\$ 6,830,000</u> |

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Note 4: Long-Term Debt (Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

| Year Ended December 31, | Capital Project Funds | | |
|------------------------------------|------------------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2019 | \$ 175,000 | \$ 200,285 | \$ 375,285 |
| 2020 | 175,000 | 197,222 | 372,222 |
| 2021 | 180,000 | 193,722 | 373,722 |
| 2022 | 185,000 | 189,672 | 374,672 |
| 2023 | 290,000 | 185,232 | 475,232 |
| 2024 - 2028 | 1,555,000 | 814,163 | 2,369,163 |
| 2029 - 2033 | 1,785,000 | 573,827 | 2,358,827 |
| 2034 - 2038 | 940,000 | 304,600 | 1,244,600 |
| 2039 - 2043 | 775,000 | 186,750 | 961,750 |
| 2044 - 2048 | 770,000 | 63,000 | 833,000 |
| Total | \$ 6,830,000 | \$ 2,908,473 | \$ 9,738,473 |

State Agency Loans. On April 15, 1999, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$1,141,617 to fund Water Utility Fund projects. As of December 31, 2018, the City had borrowed \$1,141,617 on this loan and repaid \$875,208. The interest rate on the loan is 3.69% with an additional .35% service fee rate. The final maturity date on the loan is February 1, 2022.

On April 30, 2012, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$11,495,382 to fund the wastewater treatment plant project. As of December 31, 2018, the City had borrowed \$11,495,382 on this loan and repaid on \$2,042,626. The interest rate on the loan is 2.01% with an additional .25% service fee rate. The final maturity date on the loan is September 1, 2033.

On July 18, 2016, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$300,000 to fund the water meter project. As of December 31, 2018, the City had borrowed \$247,904 on this loan and repaid \$10,412. The interest rate on the loan is 1.56% with an additional .35% service fee rate. The final maturity date on the loan is August 1, 2037.

The loans outstanding at year end are as follows:

| Purpose | Date Issued | Date of Final Maturity | Interest Rates | Original Amount | Balance December 31, 2018 |
|-------------------|------------------------|---------------------------------------|---------------------------|----------------------------|--|
| Paid by revenues: | | | | | |
| Water - KDHE Loan | 4/15/1999 | 2/1/2022 | 3.69% | \$ 1,141,617 | \$ 266,409 |
| Sewer - KDHE Loan | 5/8/2007 | 3/1/2018 | 2.27% | 300,000 | 237,361 |
| Sewer - KDHE Loan | 4/30/2012 | 9/1/2033 | 2.01% | 11,495,382 | 9,452,721 |
| Total Outstanding | | | | | <u>\$ 9,956,491</u> |

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Note 4: Long-Term Debt (Continued)

The following is a schedule of future loan payments for the full proceeds amount:

| Year Ended December 31, | Business Funds | | |
|----------------------------|---------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2019 | \$ 618,743 | \$ 225,144 | \$ 843,887 |
| 2020 | 634,076 | 209,810 | 843,886 |
| 2021 | 649,811 | 194,075 | 843,886 |
| 2022 | 624,763 | 177,928 | 802,691 |
| 2023 | 597,626 | 163,870 | 761,496 |
| 2024 - 2028 | 3,197,516 | 609,963 | 3,807,479 |
| 2029 - 2033 | 3,576,625 | 230,855 | 3,807,480 |
| 2034 - 2038 | 57,331 | 2,491 | 59,822 |
| Total | \$ 9,956,491 | \$ 1,814,136 | \$ 11,770,627 |

Home Rule Revenue Bonds. On December 22, 2015, the City issued \$10,153,510 (Maximum Aggregate Principal Amount) Home Rule Revenue Bonds (Logistics Park Infrastructure Projects) Series 2015A (the "Series 2015A Bonds"). On November 29, 2018, the City issued \$10,000,000 (Maximum Aggregate Principal Amount) Home Revenue Bonds (Logistics Park Infrastructure Projects), Series 2018A (the "Series 2018A Bonds"). The bonds were issued pursuant to a Master Trust Indenture dated December 1, 2015, by and between the City and Commerce Bank, as master trustee, as supplemented by the Supplemental Master Trust Indenture No. 1 and the Supplemental Master Trust Indenture No. 2 (together, the "Trust Indenture"). As of December 31, 2018, the Series 2015A Bonds and Series 2018A Bonds are outstanding in the principal amounts of \$8,102,555 and \$5,210,123, respectively.

Edgerton Land Holding Company, LLC, a Kansas limited-liability company, purchased the bonds. Pursuant to the Trust Indenture, the City is obligated to direct certain revenues associated with development in and around Logistics Park Kansas City to the master trustee for deposit in the funds and accounts of the Trust Indenture. Pursuant to the Trust Indenture, moneys directed to the master trustee are used first to pay certain obligations of the City, including loans related to the Big Bull Creek Wastewater Treatment Plant. To the extent surplus revenues remain, monies are then set aside to fund construction of a grade separation construction project on 207th Street in Edgerton. Once that obligation is met, excess monies would become available to pay interest on the Bonds. Based on current development in and around Logistics Park Kansas City, the City expects that interest on the Bonds will accrue and remain unpaid for a number of years. To the extent no accrued interest remains and current interest obligations are met in any year, the master trustee will use excess moneys to redeem the Bonds prior to their maturity. Bondholders are at risk for any unpaid principal at maturity of the Bonds.

The following is a schedule of the estimated repayment schedule of the Home Rule Revenue Bonds:

| Year Ended December 31, | Capital Project Funds | | |
|----------------------------|-----------------------|---------------------|----------------------|
| | Principal | Interest | Total |
| 2019 | \$ - | \$ - | \$ - |
| 2020 | - | - | - |
| 2021 | - | 384,303 | 384,303 |
| 2022 | - | 2,325,877 | 2,325,877 |
| 2023 | 263,486 | 2,435,445 | 2,698,931 |
| 2024 - 2028 | 8,970,452 | 3,763,379 | 12,733,831 |
| 2029 - 2033 | 4,078,740 | 502,612 | 4,581,352 |
| Total | \$ 13,312,678 | \$ 9,411,616 | \$ 22,724,294 |

The following is a summary of changes in long-term debt for the year ended December 31, 2018:

| Type of Issue | Beginning Balance | Additions To Principal | Reductions Of Principal | Ending Balance | Interest and Service Fees Paid |
|---------------------------|----------------------|------------------------|-------------------------|----------------------|--------------------------------|
| Paid for by revenues | | | | | |
| General Obligation Debt - | | | | | |
| Capital Project Funds | \$ 7,000,000 | \$ - | \$ 170,000 | \$ 6,830,000 | \$ 202,751 |
| Paid for by revenues | | | | | |
| Home Rule Revenue Bonds | 10,153,510 | 3,159,168 | - | 13,312,678 | - |
| State Agency Loans - | | | | | |
| Business Funds | 10,560,559 | - | 604,068 | 9,956,491 | 239,950 |
| Total | \$ 27,714,069 | \$ 3,159,168 | \$ 774,068 | \$ 30,099,169 | \$ 442,701 |

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Note 5: Capital Leases

The City has entered into lease agreements as lessee for financing the acquisition of equipment. During the year ended December 31, 2018, the following changes occurred in capital leases.

| | Beginning Balance | Additions To Principal | Reductions Of Principal | Ending Balance | Interest Paid |
|---|------------------------------|-----------------------------------|------------------------------------|---------------------------|--------------------------|
| Capital Lease Obligations - Governmental Funds | \$ 113,461 | \$ - | \$ 37,141 | \$ 76,320 | \$ 1,886 |

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2018, are as follows:

| Year Ended December 31, | Governmental Funds |
|--|-------------------------------|
| 2019 | \$ 39,027 |
| 2020 | 39,028 |
| 2021 | - |
| 2022 | - |
| Total Minimum Lease Payments | \$ 78,055 |
| Less: Amount representing interest | (1,735) |
| Present Value of Minimum Lease Payments | \$ 76,320 |

Note 6: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no decreases in insurance coverage from the prior year.

Note 7: Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Note 8: Interfund Transfers

Transfers for the year ended December 31, 2018 were as follows:

| Fund | In | Out | Regulatory Authority |
|-----------------------------------|---------------------|---------------------|---------------------------------|
| General Fund | \$ 706 | \$ 898,651 | KSA 12-1, 117, KSA 120-1, 118 |
| Park Impact Fund | - | 5,023 | KSA 12-1, 118 |
| Equip Reserve Fund - General | 397,812 | - | KSA 12-1, 117, KSA 12-825(d) |
| Equip Reserve Fund - Sewer | 30,000 | - | KSA 12-1, 117, KSA 12-825(d) |
| Excise Tax Fund | - | 201,952 | KSA 12, 1, 118 |
| BBCWWTP Major Maint | 50,000 | - | KSA 12, 1, 117 |
| Water Reserve Fund | - | 85,238 | KSA 12, 1, 118 |
| Water System Dev Fund | - | 149,067 | KSA 12, 1, 118 |
| Sewer Fund | 35,740 | 130,000 | KSA 12-1, 117, KSA 12-1, 118 |
| Sewer System Dev Fund | - | 78,212 | KSA 12, 1, 118 |
| Mayor's Holiday Fund | 150 | - | KSA 12-101 |
| Special Highway Fund | - | 46,589 | KSA 12-1, 118 |
| Capital Improvement Fund | 3,355,712 | 36,446 | KSA 12-1, 118 |
| LPKC 1 Public Infrastructure Fund | 305,616 | 1,511,956 | KSA 12, 1, 118 |
| LPKC 1 Origination Fee Fund | - | 1,032,936 | KSA 12, 1, 118 |
| Public Infrastructure Fund | 334 | - | KSA 12, 1, 118 |
| Total Transfers | \$ 4,176,070 | \$ 4,176,070 | |

CITY OF EDGERTON, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2018

Notes to Financial Statement

Note 9: Compensated Absences

Under terms of the City's personnel policy, employees are granted vacation leave in varying amounts, based upon length of service. Vacation pay accumulated as of December 31, 2018 was \$30,134.

Note 10: Other Post Employment Benefits

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government 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 government 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. There is no cost to the City under this program.

Note 11: Funds with Deficit Unencumbered Cash Balance

Generally, municipalities are required by K.S.A. 10-1113 to limit fund expenditures to the available monies in that fund. An exception exists for those funds which are to be reimbursed by other sources for capital projects. This exception allows these funds to expend in excess of currently available resources with the expectation that the City will be reimbursed for qualifying grant expenditures.

There were no funds with deficit balances of unencumbered cash as of December 31, 2018, except as allowed above.

Note 12: Capital Projects

At year end, capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

| Current Projects | Project Authorizations | Expenditures To Date |
|--|-----------------------------------|---------------------------------|
| Homestead/207th Street | \$ 11,800,000 | \$ 6,045,156 |
| 4th & Nelson (23018 CARS) | 609,271 | 592,880 |
| Martin Creek Park Improvements | 150,000 | 118,346 |
| HWY 56 Trail - W 1st - W 5th (Design) | 85,300 | 2,740 |
| HWY 56 Trail - W 5th - W 9th (Design) | 64,700 | 2,740 |
| 207th Street Grade Separation (Design) | 15,000,000 | 155,541 |
| UDC Update | 110,000 | 21,818 |
| Parks Shop Upfit/Concrete Work (Old Belt Press Building) | 6,000 | 3,857 |
| Totals | <u>\$ 27,825,271</u> | <u>\$ 6,943,078</u> |

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

CITY OF EDGERTON, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2018

| Fund | Certified Budget | Expenditures Chargeable to Current Year | Variance Over (Under) |
|------------------------------|-----------------------------|--|--------------------------------------|
| Governmental Funds | | | |
| General | \$ 5,441,078 | \$ 3,520,831 | \$ (1,920,247) |
| Special Purpose Funds | | | |
| Special Highway | 46,589 | 46,589 | - |
| Special Parks and Recreation | 23,831 | - | (23,831) |
| Bond and Interest | 650,227 | 255,053 | (395,174) |
| Business Funds | | | |
| Water Utility | 852,424 | 562,912 | (289,512) |
| Sewer Utility | 718,527 | 639,786 | (78,741) |
| TOTAL | \$ 7,732,676 | \$ 5,025,171 | \$ (2,707,505) |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, 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 | Actual | Budget | Variance Over (Under) |
|---|-------------------------|---------------------|---------------------|-----------------------------|
| CASH RECEIPTS | | | | |
| Taxes | \$ 2,543,586 | \$ 2,739,756 | \$ 2,729,345 | \$ 10,411 |
| Licenses and permits | 635,441 | 484,313 | 757,600 | (273,287) |
| Fines and fees | 25,452 | 30,123 | 15,100 | 15,023 |
| Interest | 15,820 | 26,206 | 8,000 | 18,206 |
| Charges for services | 111,722 | 154,008 | 108,744 | 45,264 |
| Reimbursement | 24,324 | 31,059 | - | 31,059 |
| Transfers in | 14,644 | 706 | - | 706 |
| Miscellaneous | 476,589 | 197,693 | - | 197,693 |
| Total Cash Receipts | <u>\$ 3,847,578</u> | <u>\$ 3,663,864</u> | <u>\$ 3,618,789</u> | <u>\$ 45,075</u> |
| EXPENDITURES | | | | |
| General government | \$ 651,513 | \$ 838,102 | \$ 758,439 | \$ 79,663 |
| Law enforcement | 285,540 | 313,263 | 334,534 | (21,271) |
| Public works | 468,595 | 514,339 | 472,193 | 42,146 |
| Parks and recreation | 192,766 | 185,999 | 267,852 | (81,853) |
| Public facilities | 863,551 | 144,774 | 90,039 | 54,735 |
| Community development | 295,050 | 290,404 | 326,214 | (35,810) |
| Intermodal | 11,599 | 6,848 | 66,200 | (59,352) |
| Information technology | 31,193 | 58,607 | 61,157 | (2,550) |
| Employee benefits | 218,024 | 269,844 | 329,138 | (59,294) |
| Transfers out | 995,851 | 898,651 | 559,408 | 339,243 |
| Reserves | - | - | 2,175,904 | (2,175,904) |
| Total Expenditures | <u>\$ 4,013,682</u> | <u>\$ 3,520,831</u> | <u>\$ 5,441,078</u> | <u>\$ (1,920,247)</u> |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ (166,104) | \$ 143,033 | | |
| UNENCUMBERED CASH - JAN 1 | <u>1,748,720</u> | <u>1,582,616</u> | | |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 1,582,616</u> | <u>\$ 1,725,649</u> | | |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, 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 | Actual | Budget | Variance Over (Under) |
|---|----------------------------------|---------------|---------------|--------------------------------------|
| CASH RECEIPTS | | | | |
| Taxes | \$ 46,559 | \$ 47,990 | \$ 45,630 | \$ 2,360 |
| EXPENDITURES | | | | |
| Transfers out | \$ 44,500 | \$ 46,589 | \$ 46,589 | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 2,059 | \$ 1,401 | | |
| UNENCUMBERED CASH - JAN 1 | 959 | 3,018 | | |
| UNENCUMBERED CASH - DEC 31 | \$ 3,018 | \$ 4,419 | | |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, 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

| | <u>Prior Year Actual</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance Over (Under)</u> |
|---|----------------------------------|------------------|---------------|--------------------------------------|
| CASH RECEIPTS | | | | |
| Taxes | \$ 7,555 | \$ 3,107 | \$ 3,300 | \$ (193) |
| EXPENDITURES | | | | |
| Transfer to CIP | \$ - | \$ - | \$ 23,831 | \$ (23,831) |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 7,555 | \$ 3,107 | | |
| UNENCUMBERED CASH - JAN 1 | 14,377 | 21,932 | | |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 21,932</u> | <u>\$ 25,039</u> | | |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, 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 | Actual | Budget | Variance Over (Under) |
|---|----------------------------------|-------------------|-------------------|--------------------------------------|
| CASH RECEIPTS | | | | |
| Special assessments | \$ 12,490 | \$ 757,299 | \$ 245,634 | \$ 511,665 |
| EXPENDITURES | | | | |
| Debt service | \$ 100,053 | \$ 255,053 | \$ 255,053 | \$ - |
| Reserves | - | - | 395,174 | (395,174) |
| Total Expenditures | <u>\$ 100,053</u> | <u>\$ 255,053</u> | <u>\$ 650,227</u> | <u>\$ (395,174)</u> |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ (87,563) | \$ 502,246 | | |
| UNENCUMBERED CASH - JAN 1 | <u>259,012</u> | <u>171,449</u> | | |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 171,449</u> | <u>\$ 673,695</u> | | |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
WATER 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 | Actual | Budget | Variance Over (Under) |
|---|----------------------------------|-------------------|-------------------|--------------------------------------|
| CASH RECEIPTS | | | | |
| Charges for services | \$ 455,138 | \$ 438,593 | \$ 487,000 | \$ (48,407) |
| Forfeitures | 24,395 | 29,472 | 17,000 | 12,472 |
| Interest | 2,155 | 2,952 | 1,000 | 1,952 |
| Reimbursed expense | 401 | - | - | - |
| Transfers In | 41,667 | - | - | - |
| Total Cash Receipts | <u>\$ 523,756</u> | <u>\$ 471,017</u> | <u>\$ 505,000</u> | <u>\$ (33,983)</u> |
| EXPENDITURES | | | | |
| Production | \$ 200,556 | \$ 213,892 | \$ 162,200 | \$ 51,692 |
| Distribution | 44,089 | 59,427 | 48,890 | 10,537 |
| Administrative water | 119,812 | 136,723 | 127,843 | 8,880 |
| Employee benefit | 20,333 | 29,392 | 26,737 | 2,655 |
| Information technology | 26,613 | 26,132 | 26,120 | 12 |
| Debt Service | 83,254 | 97,346 | 100,511 | (3,165) |
| Reserves | - | - | 360,123 | (360,123) |
| Total Expenditures | <u>\$ 494,657</u> | <u>\$ 562,912</u> | <u>\$ 852,424</u> | <u>\$ (289,512)</u> |
| RECEIPTS OVER (UND) EXPENDITURES | \$ 29,099 | \$ (91,895) | | |
| UNENCUMBERED CASH - JAN 1 | <u>288,664</u> | <u>317,763</u> | | |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 317,763</u> | <u>\$ 225,868</u> | | |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
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 | Actual | Budget | Variance Over (Under) |
|---|----------------------------------|-------------------|-------------------|--------------------------------------|
| CASH RECEIPTS | | | | |
| Charges for services | \$ 568,718 | \$ 776,794 | \$ 537,750 | \$ 239,044 |
| Inspection fee | - | 1,150 | - | 1,150 |
| Reimbursements | 18,598 | - | - | - |
| Interest | 1,669 | 4,770 | 300 | 4,470 |
| Transfers in | - | 35,741 | - | 35,741 |
| Total Cash Receipts | <u>\$ 588,985</u> | <u>\$ 818,455</u> | <u>\$ 538,050</u> | <u>\$ 280,405</u> |
| EXPENDITURES | | | | |
| Treatment plant | \$ 168,772 | \$ 150,972 | \$ 150,600 | \$ 372 |
| Sewer line maintenance | 484 | 2,141 | 4,000 | (1,859) |
| Mechanical | 9,232 | 10,247 | 20,375 | (10,128) |
| Administrative sewer | 256,344 | 195,193 | 181,559 | 13,634 |
| Employee benefits | 22,301 | 37,506 | 34,785 | 2,721 |
| Information technology | 15,429 | 19,289 | 23,352 | (4,063) |
| Debt Service | 94,265 | 94,438 | 94,438 | - |
| Reserves | - | - | 209,418 | (209,418) |
| Transfers out | - | 130,000 | - | 130,000 |
| Total Expenditures | <u>\$ 566,827</u> | <u>\$ 639,786</u> | <u>\$ 718,527</u> | <u>\$ (78,741)</u> |
| RECEIPTS OVER (UND) EXPENDITURES | \$ 22,158 | \$ 178,669 | | |
| UNENCUMBERED CASH - JAN 1 | <u>234,133</u> | <u>256,291</u> | | |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 256,291</u> | <u>\$ 434,960</u> | | |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|------------------------------|--------------------------|
| CASH RECEIPTS | | |
| Transfers in | \$ 133,161 | \$ 397,812 |
| Miscellaneous | - | 5,449 |
| Total Cash Receipts | <u>\$ 133,161</u> | <u>\$ 403,261</u> |
| EXPENDITURES | | |
| Capital outlay | \$ 152,398 | \$ 131,386 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ (19,237) | \$ 271,875 |
| UNENCUMBERED CASH - JAN 1 | <u>133,132</u> | <u>113,895</u> |
| UNENCUMBERED CASH - DEC 31 | <u><u>\$ 113,895</u></u> | <u><u>\$ 385,770</u></u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
EXCISE TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|------------------------------|--------------------------|
| CASH RECEIPTS | | |
| Transfers In | \$ 88,240 | \$ - |
| Excise tax | 4,800 | 135,647 |
| Total Cash Receipts | <u>\$ 93,040</u> | <u>\$ 135,647</u> |
| EXPENDITURES | | |
| Transfers out | \$ - | \$ 201,952 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 93,040 | \$ (66,305) |
| UNENCUMBERED CASH - JAN 1 | <u>355,821</u> | <u>448,861</u> |
| UNENCUMBERED CASH - DEC 31 | <u><u>\$ 448,861</u></u> | <u><u>\$ 382,556</u></u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
PARK IMPACT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------|
| CASH RECEIPTS | | |
| Park impact fees | \$ 257,894 | \$ 287,918 |
| EXPENDITURES | | |
| Transfer to capital projects | \$ - | \$ 5,023 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 257,894 | \$ 282,895 |
| UNENCUMBERED CASH - JAN 1 (restated) | 360,342 | 618,236 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 618,236</u> | <u>\$ 901,131</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|------------------------------|
| CASH RECEIPTS | | |
| Interest | \$ 3,767 | \$ - |
| Transfers in | 726,716 | 3,355,711 |
| Loan proceeds | 247,154 | - |
| Other reimbursements | 701,683 | 620,587 |
| Intergovernmental | 1,235,408 | 3,277,862 |
| Total Receipts | <u>\$ 2,914,728</u> | <u>\$ 7,254,160</u> |
| EXPENDITURES | | |
| Personal services | \$ - | \$ 102,326 |
| Capital outlay | 6,546,081 | 7,910,537 |
| Transfers out | 56,312 | 36,446 |
| Total Expenditures | <u>\$ 6,602,393</u> | <u>\$ 8,049,309</u> |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ (3,687,665) | \$ (795,149) |
| UNENCUMBERED CASH - JAN 1 | <u>1,729,461</u> | <u>(1,958,204)</u> |
| UNENCUMBERED CASH - DEC 31 | <u><u>\$ (1,958,204)</u></u> | <u><u>\$ (2,753,353)</u></u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
ORIGINATION FEES FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|---------------------|
| CASH RECEIPTS | | |
| Origination fees | \$ 2,502,577 | \$ 3,666,801 |
| Interest | 10,380 | 41,077 |
| Total Receipts | \$ 2,512,957 | \$ 3,707,878 |
| EXPENDITURES | | |
| Contractual | \$ - | \$ 105,927 |
| Commissions | 25,904 | 24,616 |
| Bond principal | 512,366 | 524,011 |
| Interest on bond payment | 208,271 | 197,914 |
| Transfers out | - | 1,032,936 |
| Total Expenditures | \$ 746,541 | \$ 1,885,404 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 1,766,416 | \$ 1,822,474 |
| UNENCUMBERED CASH - JAN 1 | 1,305,879 | 3,072,295 |
| UNENCUMBERED CASH - DEC 31 | \$ 3,072,295 | \$ 4,894,769 |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
MAYOR'S HOLIDAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------------|
| CASH RECEIPTS | | |
| Donations | \$ 47,701 | \$ 23,401 |
| Interest | 359 | 618 |
| Transfers in | | 150 |
| Total Receipts | <u>\$ 48,060</u> | <u>\$ 24,169</u> |
| EXPENDITURES | | |
| Commodities | <u>\$ 38,259</u> | <u>\$ 14,656</u> |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 9,801 | \$ 9,513 |
| UNENCUMBERED CASH - JAN 1 | <u>38,744</u> | <u>48,545</u> |
| UNENCUMBERED CASH - DEC 31 | <u><u>\$ 48,545</u></u> | <u><u>\$ 58,058</u></u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
PUBLIC INFRASTRUCTURE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|----------------------------|
| CASH RECEIPTS | | |
| Bond proceeds | \$ - | \$ 5,211,081 |
| Interest | 13,172 | 35,092 |
| Excise tax | 620,256 | 838,722 |
| Franchise tax | 158,767 | 242,215 |
| Transfer in | 344,876 | 304,658 |
| Total Receipts | <u>\$ 1,137,071</u> | <u>\$ 6,631,768</u> |
| EXPENDITURES | | |
| Contractual services | \$ 2,750 | \$ 76,804 |
| Capital outlay | - | 5,141,373 |
| Debt service | 23,448 | 23,260 |
| Transfers out | 279,434 | 1,511,956 |
| Total Expenditures | <u>\$ 305,632</u> | <u>\$ 6,753,393</u> |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 831,439 | \$ (121,625) |
| UNENCUMBERED CASH - JAN 1 | <u>1,926,490</u> | <u>2,757,929</u> |
| UNENCUMBERED CASH - DEC 31 | <u><u>\$ 2,757,929</u></u> | <u><u>\$ 2,636,304</u></u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
2012A GO BOND RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------|
| CASH RECEIPTS | | |
| Interest | \$ 54 | \$ 44 |
| EXPENDITURES | | |
| Interest and other charges | \$ - | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 54 | \$ 44 |
| UNENCUMBERED CASH - JAN 1 | 263,757 | 263,811 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 263,811</u> | <u>\$ 263,855</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
WATER RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|------------------|
| CASH RECEIPTS | | |
| Transfers in | \$ - | \$ - |
| EXPENDITURES | | |
| Transfers out | \$ - | \$ 85,238 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ - | \$ (85,238) |
| UNENCUMBERED CASH - JAN 1 | 113,615 | 113,615 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 113,615</u> | <u>\$ 28,377</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
WATER SYSTEM DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|------------------|
| CASH RECEIPTS | | |
| System development fee | \$ 7,850 | \$ 8,600 |
| EXPENDITURES | | |
| Transfers out | \$ - | \$ 149,067 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 7,850 | \$ (140,467) |
| UNENCUMBERED CASH - JAN 1 | 162,500 | 170,350 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 170,350</u> | <u>\$ 29,883</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
WATER EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------------|
| CASH RECEIPTS | | |
| Transfers in | \$ 26,796 | \$ - |
| Sale of surplus | 3,541 | - |
| Total Receipts | <u>\$ 30,337</u> | <u>\$ -</u> |
| EXPENDITURES | | |
| Capital outlay | \$ 2,116 | \$ - |
| Transfers out | - | - |
| Total Expenditures | <u>\$ 2,116</u> | <u>\$ -</u> |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 28,221 | \$ - |
| UNENCUMBERED CASH - JAN 1 | <u>54,771</u> | <u>82,992</u> |
| UNENCUMBERED CASH - DEC 31 | <u><u>\$ 82,992</u></u> | <u><u>\$ 82,992</u></u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
SEWER RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|------------------|
| CASH RECEIPTS | | |
| System development fee | \$ - | \$ - |
| EXPENDITURES | | |
| Capital outlay | \$ - | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ - | \$ - |
| UNENCUMBERED CASH - JAN 1 | 16,330 | 16,330 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 16,330</u> | <u>\$ 16,330</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
SEWER SYSTEM DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------|
| CASH RECEIPTS | | |
| System development fee | \$ 603,992 | \$ 78,961 |
| EXPENDITURES | | |
| Transfers out | \$ - | \$ 78,212 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 603,992 | \$ 749 |
| UNENCUMBERED CASH - JAN 1 | 145,800 | 749,792 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 749,792</u> | <u>\$ 750,541</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
SEWER EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|------------------|
| CASH RECEIPTS | | |
| Transfers in | \$ - | \$ 30,000 |
| Sale of scrap | - | 5,275 |
| Total Receipts | \$ - | \$ 35,275 |
| EXPENDITURES | | |
| Capital outlay | \$ 2,154 | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ (2,154) | \$ 35,275 |
| UNENCUMBERED CASH - JAN 1 | 34,212 | 32,058 |
| UNENCUMBERED CASH - DEC 31 | \$ 32,058 | \$ 67,333 |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
NON-LPKC ORIGINATION FEES
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|------------------|
| CASH RECEIPTS | | |
| Interest on investments | \$ 10 | \$ 564 |
| EXPENDITURES | | |
| Capital outlay | \$ - | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 10 | \$ 564 |
| UNENCUMBERED CASH - JAN 1 | 50,007 | 50,017 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 50,017</u> | <u>\$ 50,581</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
PARKS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-----------------|
| CASH RECEIPTS | | |
| Donations | \$ 971 | \$ - |
| Interest on investments | 14 | 24 |
| Total Receipts | \$ 985 | \$ 24 |
| EXPENDITURES | | |
| Capital outlay | \$ - | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 985 | \$ 24 |
| UNENCUMBERED CASH - JAN 1 | 1,121 | 2,106 |
| UNENCUMBERED CASH - DEC 31 | \$ 2,106 | \$ 2,130 |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
FIRE REVIEW AND INSPECTION FEES FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|---------------|
| CASH RECEIPTS | | |
| Charges for Services | \$ 3,968 | \$ 44,812.0 |
| EXPENDITURES | | |
| Contractual | \$ 2,968 | \$ 45,812.0 |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ 1,000 | \$ (1,000) |
| UNENCUMBERED CASH - JAN 1 | - | 1,000 |
| UNENCUMBERED CASH - DEC 31 | <u>\$ 1,000</u> | <u>\$ -</u> |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
BBCWWTP MAJOR MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------|
| CASH RECEIPTS | | |
| Investment earnings | \$ - | \$ 828 |
| Transfers in | | 100,000 |
| Total Receipts | \$ - | \$ 100,828 |
| EXPENDITURES | | |
| Contractual | \$ - | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ - | \$ 100,828 |
| UNENCUMBERED CASH - JAN 1 | - | - |
| UNENCUMBERED CASH - DEC 31 | \$ - | \$ 100,828 |

Regulatory-Required Supplemental Information

CITY OF EDGERTON, KANSAS
LPKC 2 PUBLIC INFRASTRUCTURE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

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

| | Prior Year Actual | Actual |
|---|----------------------------------|-------------------|
| CASH RECEIPTS | | |
| Taxes | \$ - | \$ 898,950 |
| Investment earnings | - | 7,033 |
| Total Receipts | \$ - | \$ 905,983 |
| EXPENDITURES | | |
| Contractual | \$ - | \$ - |
| RECEIPTS OVER (UNDER) EXPENDITURES | \$ - | \$ 905,983 |
| UNENCUMBERED CASH - JAN 1 | - | - |
| UNENCUMBERED CASH - DEC 31 | \$ - | \$ 905,983 |

Regulatory-Required Supplemental Information