

**CHAUTAUQUA HILLS PUBLIC WHOLESale
WATER SUPPLY DISTRICT NO. 20**

**AUDITORS' REPORT AND
FINANCIAL STATEMENTS**

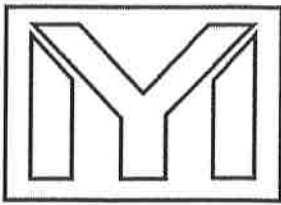
DECEMBER 31, 2017

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

December 31, 2017

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YERKES & MICHELS, CPA, LLC

CERTIFIED PUBLIC ACCOUNTANTS

American Institute of Certified Public Accountants, Kansas Society of Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Chautauqua Hills Public Wholesale Water Supply District No. 20
1989 Quivira Road
Sedan, KS 67361

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Chautauqua Hills Public Wholesale Water Supply District No. 20, Sedan, Kansas, as of and for the year ended December 31, 2017, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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 we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

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

As describe in Note 1B of the financial statement, the financial statement is prepared by the Chautauqua Hills Public Wholesale Water Supply District No. 20 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 1B 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 Chautauqua Hills Public Wholesale Water Supply District No. 20 as of December 31, 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 Chautauqua Hills Public Wholesale Water Supply District No. 20 as of December 31, 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 1B.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditure-agency funds of regulatory basis receipts and expenditures (Schedule 1 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1B.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Chautauqua Hills Public Wholesale Water Supply District No. 20, Sedan, Kansas, as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated October 20, 2017, which contained an unmodified opinion on the basic financial statement. 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-financialofficer/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 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 basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note 1.


YERKES & MICHELS, CPA, LLC
Independence, KS

August 27, 2018

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20
 SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
 REGULATORY BASIS

For the Year Ended December 31, 2017

	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Cancelled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>	
<u>GOVERNMENTAL TYPE FUNDS</u>								
Debt Service Fund								
Bond and Interest Fund	\$ 383,855.72	\$ -	\$ 294,381.67	\$ 246,804.30	\$ 431,433.09	\$ -	\$ 431,433.09	Bond and Interest Fund
<u>PROPRIETARY TYPE FUNDS</u>								
Water Operations Fund	264,636.00	11,234.55	983,140.85	956,873.21	302,138.19	20,905.24	323,043.43	Water Operations Fund
TOTAL PRIMARY GOVERNMENT	\$ 648,491.72	\$ 11,234.55	\$ 1,277,522.52	\$ 1,203,677.51	\$ 733,571.28	\$ 20,905.24	\$ 754,476.52	TOTAL PRIMARY GOVERNMENT

COMPOSITION OF CASH-Primary Government

First National Bank of Sedan:	
Operating	\$ 120,668.01
Escrow	27,342.82
Certificate of Deposit - Escrow	120,000.00
Debt Reserve	18,629.83
Certificate of Deposit - Debt Reserve	150,000.00
Capital Improvement	7,375.42
Bond and Interest	115,460.44
Howard State Bank	
Capital Improvement CD	195,000.00
TOTAL PRIMARY GOVERNMENT	\$ 754,476.52

THE NOTES TO THE FINANCIAL STATEMENT ARE AN INTEGRAL PART OF THIS STATEMENT.

NOTES TO THE
FINANCIAL STATEMENT

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1A. FINANCIAL REPORTING ENTITY

The Chautauqua Hills Public Wholesale Water Supply District No. 20, Sedan, Kansas, is governed by an appointed Board of Directors. Each of the twelve (12) member districts is represented by a Board member. In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The Water Supply District's purpose is to acquire water and water rights and to build water treatment and storage facilities, water pipelines, and other facilities, and to operate the same for the purpose of providing wholesale water to participating public entities and other users interested in obtaining water from the District.

1B. 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 Water Supply District 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 District to use the regulatory basis of accounting.

1C. REGULATORY BASIS FUND TYPES

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the Chautauqua Hills Public Wholesale Water Supply District No. 20, Sedan, Kansas, for the year 2017:

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

1C. REGULATORY BASIS FUND TYPES

GOVERNMENTAL FUNDS

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

BUSINESS FUNDS

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

1D. BUDGETARY INFORMATION

A legal operating budget is not required for the Water District. Spending in the Water District's funds is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY COMPLIANCE WITH FINANCE-RELATED LEGAL AND CONTRACTUAL MATTERS

The April payment for Bond Series 2015 was received by the State two days after the statutory deadline. This is a violation of KSA 10-130, a penal statute.

Management is not aware of any other regulatory, finance related or contractual violations applicable to the year ended December 31, 2017.

NOTE 3 – DEPOSITS AND INVESTMENTS

As of December 31, 2017, the Water District had no investments.

K.S.A. 9-1401 establishes the depositories which may be used by the Water Supply District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District 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 District has no other policies that would further limit interest rate risk.

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

NOTE 3 – DEPOSITS AND INVESTMENTS (cont'd)

K.S.A. 12-1675 limits the Water Supply District'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 District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Water Supply District 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 Water Supply District's deposits may not be returned to it. State statutes require the District'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%. All deposits were legally secured at December 31, 2017.

At December 31, 2017 the Water Supply District's carrying amount of deposits, including certificates of deposit, was \$754,476.52 and the bank balance was \$740,285.36. Of the bank balance, \$445,000.00 was covered by federal depository insurance, creating a custodial credit risk, and \$295,285.36 was collateralized with securities held by the pledging financial institutions' agents in the District's name. There were no unsecured funds at December 31, 2017.

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

NOTE 4 – LONG TERM DEBT – see pages 10 and 11 for long term debt information.

NOTE 5 – DEFINED BENEFIT PENSION PLAN

Plan description. The Water District 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. seg. 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, Kansas 66603) or by calling 1-888-275-5737.

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

NOTE 5 – DEFINED BENEFIT PENSION PLAN (cont'd)

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 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 with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from The Water District were \$12,036.00 for the year ended December 31, 2017.

Net Pension Liability. At December 31, 2017, the Water District's proportionate share of the collective net pension liability reported by KPERS was \$111,459. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The Water District's proportion of the net pension liability was based on the ratio of the Water District'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 these financial statements.

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 6 – COMPENSATED ABSENCES

Vacation leave is earned at a rate of ten (10) working days per year for all full-time employees. All employees receive one additional day of vacation each year of employment up to a maximum of twenty (20) days total vacation time per year, not including weekends.

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

All full-time employees accrue one sick or personal leave day per month of continuous employment until a maximum of twelve (12) days have accrued per year. Unused sick leave up to a maximum of twelve (12) days is added to the sick time allowable during the

NOTE 6 – COMPENSATED ABSENCES (cont'd)

succeeding year or years which an employee shall be continuously employed by the District to a maximum of 180 days. Up to 30 days of unused sick leave will be paid out to the employee upon retirement.

NOTE 7 - INTERFUND TRANSFERS

Operating transfers during the year were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
Bond and Interest Fund	Water Operations Fund	\$ 243,732.50
Water Operations Fund	Bond and Interest Fund	\$ 294,092.00

NOTE 9 – USE OF ESTIMATES

The preparation of regulatory basis financial statements requires management to make estimates and assumptions that affect the reported amounts of expenditures during the audit period, encumbrances outstanding, fair value of investments, and disclosure of contingencies at the end of the audit period. Actual results could differ from the estimates.

NOTE 10 – SIGNIFICANT DEFICIENCY

We noted that, due to the small number of staff, proper segregation of duties is not attainable. With the small staff size, segregations of duties are limited, which results in a higher risk of errors and/or fraud, due to the fact that the assignment of the collection, recording, depositing, and bank reconciliations duties belong to one person.

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2017

NOTE 4 - LONG TERM DEBT

Changes in long term liabilities for the Water Supply District for the year ended December 31, 2017, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
Revenue Bonds:										
Water Refunding Revenue Bonds, Series 2015	4.000%	3/31/2015	2,925,000	10/1/2043	2,785,000.00	-	70,000.00	(70,000.00)	\$ 2,715,000.00	97,822.50
Water System Revenue Bonds, Series F, 2009	2.500%	11/18/2009	1,655,000	11/18/2049	1,469,000.00	-	29,000.00	(29,000.00)	\$ 1,440,000.00	36,725.00
Total Bond Indebtedness / Long-Term Debt					\$ 4,254,000.00	\$ -	\$ 99,000.00	\$ (99,000.00)	\$ 4,155,000.00	\$ 134,547.50

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

NOTE 4 - LONG TERM DEBT (cont'd.)

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023- 2027</u>	<u>2028- 2032</u>	<u>2033- 2037</u>	<u>2038- 2042</u>	<u>2043- 2047</u>	<u>2048- 2052</u>	<u>TOTAL</u>
Principal:												
Refunding Rev. Bond - Series '15	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 75,000.00	\$ 75,000.00	\$ 410,000.00	\$ 485,000.00	\$ 585,000.00	\$ 715,000.00	\$ 160,000.00	\$ -	\$ 2,715,000.00
Revenue Bonds - Series F	30,000.00	31,000.00	31,000.00	32,000.00	33,000.00	178,000.00	200,000.00	228,000.00	258,000.00	292,000.00	127,000.00	1,440,000.00
Total Principal	<u>\$ 100,000.00</u>	<u>\$ 101,000.00</u>	<u>\$ 101,000.00</u>	<u>\$ 107,000.00</u>	<u>\$ 108,000.00</u>	<u>\$ 588,000.00</u>	<u>\$ 685,000.00</u>	<u>\$ 813,000.00</u>	<u>\$ 973,000.00</u>	<u>\$ 452,000.00</u>	<u>\$ 127,000.00</u>	<u>\$ 4,155,000.00</u>
Interest:												
Refunding Rev. Bond - Series '15	\$ 96,912.50	\$ 95,792.50	\$ 94,427.50	\$ 92,887.50	\$ 91,087.50	\$ 420,837.50	\$ 344,362.50	\$ 245,750.00	\$ 120,400.00	\$ 6,400.00	\$ -	\$ 1,608,857.50
Revenue Bonds - Series F	36,000.00	35,250.00	34,475.00	33,700.00	32,900.00	151,650.00	128,375.00	102,050.00	72,050.00	38,100.00	4,775.00	669,325.00
Total Interest	<u>\$ 132,912.50</u>	<u>\$ 131,042.50</u>	<u>\$ 128,902.50</u>	<u>\$ 126,587.50</u>	<u>\$ 123,987.50</u>	<u>\$ 572,487.50</u>	<u>\$ 472,737.50</u>	<u>\$ 347,800.00</u>	<u>\$ 192,450.00</u>	<u>\$ 44,500.00</u>	<u>\$ 4,775.00</u>	<u>\$ 2,278,182.50</u>

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

BOND AND INTEREST FUND

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year <u>Actual</u>	<u>Actual</u>
CASH RECEIPTS		
Interest	\$ 294.24	\$ 289.67
Transfers	<u>336,177.00</u>	<u>294,092.00</u>
TOTAL CASH RECEIPTS	<u>336,471.24</u>	<u>294,381.67</u>
EXPENDITURES		
Fees and Miscellaneous Expense	-	3,071.80
Transfers	<u>273,007.50</u>	<u>243,732.50</u>
TOTAL EXPENDITURES	<u>273,007.50</u>	<u>246,804.30</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 63,463.74	\$ 47,577.37
UNENCUMBERED CASH, BEGINNING	<u>320,391.98</u>	<u>383,855.72</u>
UNENCUMBERED CASH, ENDING	<u>\$ 383,855.72</u>	<u>\$ 431,433.09</u>

CHAUTAUQUA HILLS PUBLIC WHOLESALE WATER SUPPLY DISTRICT NO. 20

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

WATER OPERATIONS FUND

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	Prior Year <u>Actual</u>	<u>Actual</u>
CASH RECEIPTS		
Water Sales	\$ 707,740.00	\$ 725,010.00
Transfers In	273,007.50	243,732.50
Interest Income	217.02	205.05
Miscellaneous Income	<u>12,744.12</u>	<u>14,193.30</u>
TOTAL CASH RECEIPTS	<u>993,708.64</u>	<u>983,140.85</u>
EXPENDITURES		
Payroll Expenses	167,177.16	169,046.10
Supplies & Materials	52,083.40	54,125.68
Utilities	84,289.80	84,572.95
Insurance	47,179.61	43,396.00
Repairs and Maintenance	38,232.87	28,652.07
License and Permits	380.00	340.00
Office Expense	2,184.93	2,252.18
Interest Expense	136,042.50	134,547.50
Principal Payment	99,000.00	99,000.00
Professional Fees	1,515.00	412.50
Contract Services	13,712.13	12,613.51
Auto Expense	29,401.72	30,607.47
Miscellaneous	1,791.58	3,215.25
Transfers Out	336,177.00	294,092.00
Prior Year Cancelled Encumbrances	<u>-</u>	<u>(11,234.55)</u>
TOTAL EXPENDITURES	<u>1,009,167.70</u>	<u>945,638.66</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (15,459.06)	\$ 37,502.19
UNENCUMBERED CASH, BEGINNING	<u>280,095.06</u>	<u>264,636.00</u>
UNENCUMBERED CASH, ENDING	<u>\$ 264,636.00</u>	<u>\$ 302,138.19</u>