

CITY OF LOUISBURG, KANSAS
Financial Statements
For the Year Ended December 31, 2018

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CITY OF LOUISBURG, KANSAS
Financial Statements
For the Year Ended December 31, 2018

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MIZE HOUSER
COMPANY P.A.

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Louisburg, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Louisburg, 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 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; 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 described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Report on 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, summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In 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.

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Louisburg, Kansas, as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated February 23, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 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://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note 1.

Mike Houser: Company PA

Certified Public Accountants
Lawrence, Kansas

February 27, 2019

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

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add: Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
General Funds:						
General	\$ 2,175,468	\$ 2,877,096	\$ 2,685,770	\$ 2,366,794	\$ 5,053	\$ 2,371,847
Special Purpose Funds:						
Special Street Fund	1,983,466	807,265	1,682,390	1,108,341	134,044	1,242,385
Excise Tax Fund	28,978	544	-	29,522	-	29,522
Cops for Kids Fund	5,778	1,258	417	6,619	-	6,619
Aquatic Center Operations Fund	1,581,204	558,996	283,324	1,856,876	-	1,856,876
Lewis Young Park Donations Fund	68,140	13,209	23,999	57,350	-	57,350
Lewis Young Park Lighting Fund	52,009	450	-	52,459	-	52,459
Infrastructure Improvement Fund	356,820	238,174	577,678	17,316	-	17,316
Freedom Fund	15,685	5,935	5,705	15,915	-	15,915
Cemetery Commission Fund	95,137	22,315	19,152	98,300	-	98,300
Fox Hall Commission Fund	40,020	6,850	6,657	40,213	-	40,213
Bond and Interest Funds:						
Bond and Interest Fund	167,079	1,056,578	994,909	228,748	-	228,748
Business Funds:						
Stormwater Fund	674,067	94,495	71,302	697,260	-	697,260
Natural Gas Fund	1,519,813	1,257,364	1,571,419	1,205,758	209,173	1,414,931
Natural Gas Capital Improvement Fund	802,328	405,635	9,420	1,198,543	-	1,198,543
Water Fund	424,650	1,525,208	1,716,598	233,260	17,824	251,084
Water Capital Improvement Fund	35,168	273,754	203,228	105,694	-	105,694
Water Utility Surplus Fund	864,964	106,725	172,466	799,223	-	799,223
Wastewater Fund	485,428	1,248,835	1,462,311	271,952	106	272,058
Wastewater Capital Improvement Fund	1,490,445	1,104,761	532,650	2,062,556	-	2,062,556
Water/Sewer Bond Reserve Fund	286,001	2,135	-	288,136	-	288,136
Water/Sewer Depreciation Reserve Fund	206,982	778	-	207,760	-	207,760
Total	\$ 13,359,630	\$ 11,608,360	\$ 12,019,395	\$ 12,948,595	\$ 366,200	\$ 13,314,795

COMPOSITION OF CASH:

First National Bank	
Fox Hall Savings	\$ 3,725
Fox Hall Certificates of Deposit	15,319
First Option Bank	
Checking	4,673,164
Certificates of Deposit	8,600,917
Landmark National Bank	
Fox Hall Certificates of Deposit	6,904
Bank Midwest	
Checking	6,397
Fox Hall Checking	14,266
Petty cash on hand	500
Total Cash	13,321,192
Agency Funds per Schedule 3	<u>[6,397]</u>
Total Reporting Entity (Excluding Agency Funds)	\$ 13,314,795

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

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 1 – Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Louisburg (the City) is a municipal corporation governed by an elected council. These financial statements present the City (the primary government) and any related municipal entities of which the City is considered to be financially accountable. Blended municipal entities, although legally separate entities, are, in substance, part of the government's operations. Therefore, data from these entities are combined with data of the primary government.

The Fox Hall Commission is charged with the operation and management of the Fox Hall Community Building. It is comprised of five members appointed by the City Council. The Commission has a December 31 year end and is reported as a special purpose fund.

Basis of Accounting

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 City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2018:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types (Continued)

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.)

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

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 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. The budget was not amended for the year ended December 31, 2018.

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

All legal annual operating budgets are prepared using the 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 City 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 certain special purpose, capital project, business, and trust funds.

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

NOTE 2 - Deposits and Investments

Deposits. 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.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 2 - Deposits and Investments (Continued)

Investments. 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. As of December 31, 2018, the City held no such investments.

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 required coverage is 50%. The City has no designated "peak periods." The City's deposits were fully secured at December 31, 2018.

At December 31, 2018, the City's carrying amount of deposits was \$13,321,192 and the bank balance was \$13,526,104. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$298,713 was covered by federal depository insurance and \$13,227,391 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.

NOTE 3 – Retirement 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 by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$157,810 for the year ended December 31, 2018.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 3 – Retirement Plan (Continued)

Net Pension Liability. At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,181,153. 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 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 KPERS website at www.kpers.org or can be obtained as described above.

NOTE 4 – Long-Term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2018, were as follows:

	Beginning Principal <u>Outstanding</u>	Additions to <u>Principal</u>	Subtractions from <u>Principal</u>	Ending Principal <u>Outstanding</u>	Interest <u>Paid</u>
Paid by taxes					
General Obligation Bonds	\$ 5,335,000	-	\$ 565,000	\$ 4,770,000	\$ 123,908
Temporary Notes	300,000	-	300,000	-	6,000
Capital Leases	457,282	-	87,793	369,489	9,289
Totals	<u>\$ 6,092,282</u>	<u>\$ -</u>	<u>\$ 952,793</u>	<u>\$ 5,139,489</u>	<u>\$ 139,196</u>

General Obligation Bonds. Following is a detailed listing of the City's outstanding general obligation debt:

<u>Description</u>	<u>Interest Rate</u>	<u>Original Amount</u>	Amount <u>Outstanding at December 31, 2018</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid by taxes					
G.O. Bonds issued:					
Series 2013-A	2.00 - 2.25%	\$5,560,000	\$ 2,770,000	1/10/2013	9/1/2026
Series 2017-A	2.00 - 3.50%	2,000,000	2,000,000	3/28/2017	9/1/2036
			<u>\$ 4,770,000</u>		

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 4 – Long-Term Debt (Continued)

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

<u>Year Ending December 31,</u>	
2019	\$ 707,607
2020	605,708
2021	600,607
2022	605,408
2023	404,907
2024-2028	1,524,213
2029-2033	742,450
2034-2036	<u>438,875</u>
Total Principal and Interest	5,629,775
Less: Interest	<u>859,775</u>
Total Principal	<u>\$ 4,770,000</u>

Capital Leases. On November 18, 2015, the City entered into a capital lease agreement in the amount of \$630,000 for financing the acquisition of a 2015 Pierce Aerial Fire Truck. The lease agreement carries an interest rate of 2.10% and the final payment is due September 30, 2022.

Annual lease payment requirements to maturity for the capital lease is as follows:

<u>Year Ending December 31,</u>	
2019	\$ 97,082
2020	97,082
2021	97,082
2022	<u>97,082</u>
Total Principal and Interest	388,328
Less: Interest	<u>18,839</u>
Total Principal	<u>\$ 369,489</u>

NOTE 5 – Customer Deposits

Customer deposits payable, in the amount of \$34,065 and \$19,036, are reported as outstanding encumbrances in the Natural Gas and Water Funds, respectively.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 6 – Interfund Transfers

Operating transfers were as follows:

From	To	Amount	Regulatory Authority
General	Special Street	\$ 425,000	K.S.A. 12-1,118
Infrastructure Improvement	Bond and Interest	303,000	K.S.A. 12-1,118
Aquatic Center Operations	Bond and Interest	21,000	K.S.A. 10-113
Natural Gas	Bond and Interest	120,000	K.S.A. 12-825d
Natural Gas	Natural Gas Capital Improvement	400,000	K.S.A. 12-825d
Water	Water Utility Surplus	100,000	K.S.A. 12-825d
Water	Water Capital Improvement	100,000	K.S.A. 12-825d
Water Utility Surplus	Water Capital Improvement	172,466	K.S.A. 12-1,118
Wastewater	Bond and Interest	70,000	K.S.A. 12-825d
Wastewater	Wastewater Capital Improvement	900,000	K.S.A. 12-825d
	Total	<u>\$ 2,611,466</u>	

NOTE 7 – Compensated Absences

Full-time employees earn one working day of sick leave each full month of service. Upon termination, an employee in good standing shall be compensated for sick leave as follows:

- 5 years of service - 15% of accumulated leave
- 10 years of service - 25% of accumulated leave
- 15 years of service - 50% of accumulated leave
- 20 years of service - 75% of accumulated leave
- 25 years of service - 100% of accumulated leave

Upon termination, an employee shall be compensated for all accumulated sick leave at their final rate of pay, up to 720 hours. The total accrued sick leave liability at December 31, 2018 was \$20,343.

Full-time employees accrue vacation leave at the rate of four hours per each full calendar month of employment, provided that the total accrued days shall not exceed twenty hours each six months. The employee shall not accumulate more than 160 hours of vacation beyond the last day of the calendar year. Upon termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay. The total accrued vacation leave liability at December 31, 2018 was \$61,655.

Full-time employees can accrue compensatory time instead of overtime pay, up to a 60 hour maximum. Upon termination, an employee shall be compensated for all earned but unused compensatory time at their final rate of pay. The total accrued compensatory leave liability at December 31, 2018 was \$5,478.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 8 – Contractual Obligations

In June 2005, the Marais Des Cygnes Public Utility Authority (the Authority) was created by an interlocal agreement between the Cities of Louisburg and Paola, Kansas. The Authority was established to construct and operate a public water supply utility to serve each of the cities.

On September 1, 2007, the City of Louisburg (the City) entered into a water supply service agreement with the Authority. The payments required under the agreement are payable solely from the regulatory receipts of the City's water utility system, which are pledged to pay the obligations under the agreement. The City's obligations under the agreement are payable whether or not water service is actually received from the Authority. Under the agreement, the City has covenanted to charge rates sufficient to allow regulatory receipts of its water utility system, net of operating and maintenance expenses of such water utility system, to cover its respective share of debt service due on the Series 2007 Bonds (the "Water Base Charge" specified in the agreement) by 125%.

In November 2007, the Authority issued \$33,000,000 of water facilities revenue bonds to provide funds to acquire, construct, and equip a water supply system.

On June 10, 2015, the Authority issued Series 2015 Refunding Revenue Bonds in the amount of \$15,380,000, with an interest rate of 4.125%. The bond proceeds will be used to partially refund the Series 2007 Water Facilities Revenue Bonds.

On March 30, 2016, the Authority issued Series 2016 Refunding Revenue Bonds in the amount of \$9,950,000, with an interest rate ranging from 2.00% to 3.125%. The bond proceeds will be used to partially refund another portion of the Series 2007 Water Facilities Revenue Bonds.

On May 3, 2017, the Authority issued Series 2017 Refunding Revenue Bonds in the amount of \$9,800,000, with an interest rate ranging from 3.00% to 3.625%. The bond proceeds will be used to partially refund another portion of the Series 2007 Water Facilities Revenue Bonds.

The Authority's debt service requirements with respect to the Series 2007 Bonds, the Series 2015 Bonds, the Series 2016 bonds and the Series 2017 Bonds are as follows:

<u>Year Ending December 31,</u>	
2019	\$ 1,694,188
2020	1,716,988
2021	1,753,738
2022	1,784,038
2023	1,767,988
2024-2028	9,475,438
2029-2033	10,512,219
2034-2038	12,589,000
2039-2043	16,483,838
Total Principal and Interest	57,777,432
Less: Interest	23,062,432
Total Principal	<u>\$ 34,715,000</u>

The agreement will remain in force until the last day of the year in which all bonds and the interest have been paid in full.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2018

NOTE 9 – Commitments and Contingencies

The City receives significant financial assistance from numerous deferral and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the City as of December 31, 2018.

NOTE 10 – 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; natural disasters and other events for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11 – Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

NOTE 12 – Subsequent Event

In February 2019, the City signed a \$250,000 capital lease agreement to purchase a 2019 pumper truck for the fire department. Terms of the lease call for seven years of semi-annual principal and interest payments at a rate of 3.25%.

CITY OF LOUISBURG, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018

	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over [Under]</u>
Governmental Type Funds:					
General Funds:					
General	\$ 4,653,968	\$ -	\$ 4,653,968	\$ 2,685,770	\$ 1,968,198
Special Purpose Funds:					
Special Street Fund	1,452,600	229,790	1,682,390	1,682,390	-
Excise Tax Fund	30,000	-	30,000	-	30,000
Cops for Kids Fund	4,000	-	4,000	417	3,583
Aquatic Center Operations Fund	513,684	-	513,684	283,324	230,360
Lewis Young Park Donations Fund	25,000	-	25,000	23,999	1,001
Lewis Young Park Lighting Fund	30,000	-	30,000	-	30,000
Infrastructure Improvement Fund	603,000	-	603,000	577,678	25,322
Cemetery Commission Fund	33,000	-	33,000	19,152	13,848
Fox Hall Commission Fund	15,240	-	15,240	6,657	8,583
Bond and Interest Funds:					
Bond and Interest Fund	1,265,408	-	1,265,408	994,909	270,499
Business Funds:					
Stormwater Fund	500,000	-	500,000	71,302	428,698
Natural Gas Fund	1,621,990	-	1,621,990	1,571,419	50,571
Water Fund	1,759,852	-	1,759,852	1,716,598	43,254
Wastewater Fund	1,465,688	-	1,465,688	1,462,311	3,377

See independent auditor's report on the financial statements.

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

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 1,248,979	\$ 1,245,457	\$ 1,256,523	\$ [11,066]
Intergovernmental	1,030,049	1,083,562	990,000	93,562
Licenses and permits	128,738	297,378	230,000	67,378
Fines and fees	71,782	46,886	56,000	[9,114]
Use of money and property	50,941	47,224	38,000	9,224
Miscellaneous	<u>163,022</u>	<u>156,589</u>	<u>100,000</u>	<u>56,589</u>
Total Receipts	<u>2,693,511</u>	<u>2,877,096</u>	<u>\$ 2,670,523</u>	<u>\$ 206,573</u>
Expenditures				
General government	461,477	343,078	\$ 355,248	\$ 12,170
Public safety	1,135,522	1,372,641	1,240,027	[132,614]
Building and zoning	59,972	36,978	56,371	19,393
Parks and recreation	166,662	199,939	240,469	40,530
Public works	261,009	196,625	288,475	91,850
Municipal court	56,748	58,648	58,134	[514]
Building inspection	59,266	52,861	50,092	[2,769]
Transfer out	322,184	425,000	425,000	-
Cash balance reserve	-	-	1,940,152	1,940,152
Total Expenditures	<u>2,522,840</u>	<u>2,685,770</u>	<u>\$ 4,653,968</u>	<u>\$ 1,968,198</u>
Receipts Over [Under] Expenditures	170,671	191,326		
Unencumbered Cash, Beginning	<u>2,004,797</u>	<u>2,175,468</u>		
Unencumbered Cash, Ending	<u>\$ 2,175,468</u>	<u>\$ 2,366,794</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Special Street Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 2,332,654	\$ 364,509	\$ 115,120	\$ 249,389
Use of money and property	14,882	15,756	8,500	7,256
Reimbursed expenses	-	2,000	-	2,000
Bond proceeds	2,061,946	-	-	-
Transfer in	<u>794,000</u>	<u>425,000</u>	<u>425,000</u>	<u>-</u>
Total Receipts	<u>5,203,482</u>	<u>807,265</u>	<u>\$ 548,620</u>	<u>\$ 258,645</u>
Expenditures				
Highways and streets	5,311,042	1,682,390	\$ 1,452,600	\$ [229,790]
Qualifying budget credits	-	-	229,790	229,790
Total Expenditures	<u>5,311,042</u>	<u>1,682,390</u>	<u>\$ 1,682,390</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[107,560]	[875,125]		
Unencumbered Cash, Beginning	<u>2,091,026</u>	<u>1,983,466</u>		
Unencumbered Cash, Ending	<u>\$ 1,983,466</u>	<u>\$ 1,108,341</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Excise Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Use of money and property	\$ 1,907	\$ 544	\$ 1,100	\$ [556]
Miscellaneous	-	-	1,500	[1,500]
Total Receipts	<u>1,907</u>	<u>544</u>	<u>\$ 2,600</u>	<u>\$ [2,056]</u>
Expenditures				
Transfer out	<u>234,000</u>	-	\$ 30,000	\$ 30,000
Total Expenditures	<u>234,000</u>	-	<u>\$ 30,000</u>	<u>\$ 30,000</u>
Receipts Over [Under] Expenditures	[232,093]	544		
Unencumbered Cash, Beginning	<u>261,071</u>	<u>28,978</u>		
Unencumbered Cash, Ending	<u>\$ 28,978</u>	<u>\$ 29,522</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Cops for Kids Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 431	\$ 754	\$ -	\$ 754
Donations	248	455	600	[145]
Use of money and property	43	49	25	24
Total Receipts	<u>722</u>	<u>1,258</u>	<u>\$ 625</u>	<u>\$ 633</u>
Expenditures				
Public safety	<u>1,775</u>	<u>417</u>	<u>\$ 4,000</u>	<u>\$ 3,583</u>
Total Expenditures	<u>1,775</u>	<u>417</u>	<u>\$ 4,000</u>	<u>\$ 3,583</u>
Receipts Over [Under] Expenditures	[1,053]	841		
Unencumbered Cash, Beginning	<u>6,831</u>	<u>5,778</u>		
Unencumbered Cash, Ending	<u>\$ 5,778</u>	<u>\$ 6,619</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Aquatic Center Operations Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 74,346	\$ 80,150	\$ 75,000	\$ 5,150
Intergovernmental	452,660	467,915	433,000	34,915
Miscellaneous	193	170	-	170
Use of money and property	<u>7,396</u>	<u>10,761</u>	<u>4,200</u>	<u>6,561</u>
Total Receipts	<u>534,595</u>	<u>558,996</u>	<u>\$ 512,200</u>	<u>\$ 46,796</u>
Expenditures				
Culture and recreation	222,139	262,324	\$ 492,684	\$ 230,360
Transfer out	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>-</u>
Total Expenditures	<u>243,139</u>	<u>283,324</u>	<u>\$ 513,684</u>	<u>\$ 230,360</u>
Receipts Over [Under] Expenditures	291,456	275,672		
Unencumbered Cash, Beginning	<u>1,289,748</u>	<u>1,581,204</u>		
Unencumbered Cash, Ending	<u>\$ 1,581,204</u>	<u>\$ 1,856,876</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Lewis Young Park Donations Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ 600	\$ -	\$ -	\$ -
Intergovernmental	10,654	12,577	11,168	1,409
Use of money and property	703	632	-	632
Total Receipts	<u>11,957</u>	<u>13,209</u>	<u>\$ 11,168</u>	<u>\$ 2,041</u>
Expenditures				
Culture and recreation	-	23,999	\$ 25,000	\$ 1,001
Transfer out	70,000	-	-	-
Total Expenditures	<u>70,000</u>	<u>23,999</u>	<u>\$ 25,000</u>	<u>\$ 1,001</u>
Receipts Over [Under] Expenditures	[58,043]	[10,790]		
Unencumbered Cash, Beginning	<u>126,183</u>	<u>68,140</u>		
Unencumbered Cash, Ending	<u>\$ 68,140</u>	<u>\$ 57,350</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Lewis Young Park Lighting Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ 502	\$ -	\$ -	\$ -
Fines and fees	1,065	-	-	-
Use of money and property	445	450	250	200
Total Receipts	<u>2,012</u>	<u>450</u>	<u>\$ 250</u>	<u>\$ 200</u>
Expenditures				
Culture and recreation	-	-	\$ 30,000	\$ 30,000
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>
Receipts Over [Under] Expenditures	2,012	450		
Unencumbered Cash, Beginning	<u>49,997</u>	<u>52,009</u>		
Unencumbered Cash, Ending	<u>\$ 52,009</u>	<u>\$ 52,459</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Infrastructure Improvement Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 226,329	\$ 233,958	\$ 217,000	\$ 16,958
Use of money and property	6,592	4,216	3,800	416
Transfer in	<u>22,184</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>255,105</u>	<u>238,174</u>	<u>\$ 220,800</u>	<u>\$ 17,374</u>
Expenditures				
Capital outlay	200,000	274,678	\$ 300,000	\$ 25,322
Transfer out	<u>320,000</u>	<u>303,000</u>	<u>303,000</u>	<u>-</u>
Total Expenditures	<u>520,000</u>	<u>577,678</u>	<u>\$ 603,000</u>	<u>\$ 25,322</u>
Receipts Over [Under] Expenditures	[264,895]	[339,504]		
Unencumbered Cash, Beginning	<u>621,715</u>	<u>356,820</u>		
Unencumbered Cash, Ending	<u>\$ 356,820</u>	<u>\$ 17,316</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Freedom Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Donations	\$ 5,538	\$ 5,853
Interest income	<u>49</u>	<u>82</u>
Total Receipts	<u>5,587</u>	<u>5,935</u>
 Expenditures		
Culture and recreation	<u>6,127</u>	<u>5,705</u>
Total Expenditures	<u>6,127</u>	<u>5,705</u>
 Receipts Over [Under] Expenditures	 [540]	 230
 Unencumbered Cash, Beginning	 <u>16,225</u>	 <u>15,685</u>
 Unencumbered Cash, Ending	 <u>\$ 15,685</u>	 <u>\$ 15,915</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Cemetery Commission Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over [Under]
		Actual	Budget	
Receipts				
Charges for services	\$ 20,097	\$ 21,700	\$ 16,000	\$ 5,700
Donations	23,839	-	400	[400]
Use of money and property	509	615	300	315
Total Receipts	<u>44,445</u>	<u>22,315</u>	<u>\$ 16,700</u>	<u>\$ 5,615</u>
Expenditures				
General government	<u>9,468</u>	<u>19,152</u>	<u>\$ 33,000</u>	<u>\$ 13,848</u>
Total Expenditures	<u>9,468</u>	<u>19,152</u>	<u>\$ 33,000</u>	<u>\$ 13,848</u>
Receipts Over [Under] Expenditures	34,977	3,163		
Unencumbered Cash, Beginning	<u>60,160</u>	<u>95,137</u>		
Unencumbered Cash, Ending	<u>\$ 95,137</u>	<u>\$ 98,300</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Fox Hall Commission Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2018
 (With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Rents	\$ 6,265	\$ 6,645	\$ 7,600	\$ [955]
Use of money and property	108	105	100	5
Donations	<u>1,300</u>	<u>100</u>	<u>450</u>	<u>[350]</u>
Total Receipts	<u>7,673</u>	<u>6,850</u>	<u>\$ 8,150</u>	<u>\$ [1,300]</u>
Expenditures				
Culture and recreation	<u>7,479</u>	<u>6,657</u>	<u>\$ 15,240</u>	<u>\$ 8,583</u>
Total Expenditures	<u>7,479</u>	<u>6,657</u>	<u>\$ 15,240</u>	<u>\$ 8,583</u>
Receipts Over [Under] Expenditures	194	193		
Unencumbered Cash, Beginning	<u>39,826</u>	<u>40,020</u>		
Unencumbered Cash, Ending	<u>\$ 40,020</u>	<u>\$ 40,213</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, 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 Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 542,472	\$ 531,112	\$ 581,278	\$ [50,166]
Use of money and property	9,213	11,466	5,200	6,266
Transfer in	<u>531,000</u>	<u>514,000</u>	<u>514,000</u>	-
Total Receipts	<u>1,082,685</u>	<u>1,056,578</u>	<u>\$ 1,100,478</u>	<u>\$ [43,900]</u>
Expenditures				
Principal	1,330,000	865,000	\$ 865,000	\$ -
Interest	100,552	129,909	126,908	[3,001]
Cash basis reserve	-	-	273,500	273,500
Total Expenditures	<u>1,430,552</u>	<u>994,909</u>	<u>\$ 1,265,408</u>	<u>\$ 270,499</u>
Receipts Over [Under] Expenditures	[347,867]	61,669		
Unencumbered Cash, Beginning	<u>514,946</u>	<u>167,079</u>		
Unencumbered Cash, Ending	<u>\$ 167,079</u>	<u>\$ 228,748</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Stormwater Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 87,658	\$ 88,567	\$ 88,000	\$ 567
Use of money and property	5,183	5,928	3,000	2,928
Total Receipts	<u>92,841</u>	<u>94,495</u>	<u>\$ 91,000</u>	<u>\$ 3,495</u>
Expenditures				
Capital outlay	3,250	71,302	\$ 500,000	\$ 428,698
Transfers out	190,000	-	-	-
Total Expenditures	<u>193,250</u>	<u>71,302</u>	<u>\$ 500,000</u>	<u>\$ 428,698</u>
Receipts Over [Under] Expenditures	[100,409]	23,193		
Unencumbered Cash, Beginning	<u>774,476</u>	<u>674,067</u>		
Unencumbered Cash, Ending	<u>\$ 674,067</u>	<u>\$ 697,260</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Natural Gas Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,054,000	\$ 1,241,764	\$ 1,100,000	\$ 141,764
Use of money and property	17,049	15,600	9,700	5,900
Miscellaneous	55	-	-	-
Total Receipts	<u>1,071,104</u>	<u>1,257,364</u>	<u>\$ 1,109,700</u>	<u>\$ 147,664</u>
Expenditures				
Salaries	298,321	362,577	\$ 298,748	\$ [63,829]
Contractual	92,347	81,804	67,474	[14,330]
Commodities	511,614	520,503	512,584	[7,919]
Capital outlay	64,751	86,535	23,184	[63,351]
Transfer out	720,000	520,000	720,000	200,000
Total Expenditures	<u>1,687,033</u>	<u>1,571,419</u>	<u>\$ 1,621,990</u>	<u>\$ 50,571</u>
Receipts Over [Under] Expenditures	[615,929]	[314,055]		
Unencumbered Cash, Beginning	<u>2,135,742</u>	<u>1,519,813</u>		
Unencumbered Cash, Ending	<u>\$ 1,519,813</u>	<u>\$ 1,205,758</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Natural Gas Capital Improvement Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2018 and 2017

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Transfers In	\$ 600,000	\$ 400,000
Use of money and property	<u>2,159</u>	<u>5,635</u>
Total Receipts	<u>602,159</u>	<u>405,635</u>
 Expenditures		
Capital outlay	<u>45,637</u>	<u>9,420</u>
Total Expenditures	<u>45,637</u>	<u>9,420</u>
 Receipts Over [Under] Expenditures	 556,522	 396,215
 Unencumbered Cash, Beginning	 <u>245,806</u>	 <u>802,328</u>
 Unencumbered Cash, Ending	 <u>\$ 802,328</u>	 <u>\$ 1,198,543</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
Water Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,436,974	\$ 1,484,268	\$ 1,500,000	\$ [15,732]
Use of money and property	28,959	33,877	27,000	6,877
Miscellaneous	2,552	7,063	-	7,063
Total Receipts	<u>1,468,485</u>	<u>1,525,208</u>	<u>\$ 1,527,000</u>	<u>\$ [1,792]</u>
Expenditures				
Salaries	86,706	115,536	\$ 154,500	\$ 38,964
Contractual	1,270,014	1,330,021	1,300,292	[29,729]
Commodities	19,155	20,388	43,260	22,872
Capital outlay	45,844	50,653	61,800	11,147
Transfer out	100,000	200,000	200,000	-
Total Expenditures	<u>1,521,719</u>	<u>1,716,598</u>	<u>\$ 1,759,852</u>	<u>\$ 43,254</u>
Receipts Over [Under] Expenditures	[53,234]	[191,390]		
Unencumbered Cash, Beginning	<u>477,884</u>	<u>424,650</u>		
Unencumbered Cash, Ending	<u>\$ 424,650</u>	<u>\$ 233,260</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Water Capital Improvement Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ -	\$ 272,466
Use of money and property	<u>6,233</u>	<u>1,288</u>
Total Receipts	<u>6,233</u>	<u>273,754</u>
Expenditures		
Capital outlay	<u>132,045</u>	<u>203,228</u>
Total Expenditures	<u>132,045</u>	<u>203,228</u>
Receipts Over [Under] Expenditures	[125,812]	70,526
Unencumbered Cash, Beginning	<u>160,980</u>	<u>35,168</u>
Unencumbered Cash, Ending	<u>\$ 35,168</u>	<u>\$ 105,694</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Water Utility Surplus Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property		
Transfers in	\$ 8,059	\$ 6,725
Total Receipts	<u>100,000</u>	<u>100,000</u>
	<u>108,059</u>	<u>106,725</u>
Expenditures		
Transfers out	-	172,466
Total Expenditures	<u>-</u>	<u>172,466</u>
	<u>-</u>	<u>172,466</u>
Receipts Over [Under] Expenditures	108,059	[65,741]
Unencumbered Cash, Beginning	<u>756,905</u>	<u>864,964</u>
Unencumbered Cash, Ending	<u>\$ 864,964</u>	<u>\$ 799,223</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
Wastewater Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts For the Year Ended December 31, 2017)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,051,381	\$ 1,243,396	\$ 1,390,000	\$ [146,604]
Use of money and property	8,474	5,439	4,900	539
Total Receipts	<u>1,059,855</u>	<u>1,248,835</u>	<u>\$ 1,394,900</u>	<u>\$ [146,065]</u>
Expenditures				
Salaries	231,429	290,747	\$ 222,593	\$ [68,154]
Contractual	107,125	114,692	120,711	6,019
Commodities	12,393	13,250	12,384	[866]
Capital outlay	54,873	73,622	40,000	[33,622]
Transfer out	<u>1,570,000</u>	<u>970,000</u>	<u>1,070,000</u>	<u>100,000</u>
Total Expenditures	<u>1,975,820</u>	<u>1,462,311</u>	<u>\$ 1,465,688</u>	<u>\$ 3,377</u>
Receipts Over [Under] Expenditures	[915,965]	[213,476]		
Unencumbered Cash, Beginning	<u>1,401,393</u>	<u>485,428</u>		
Unencumbered Cash, Ending	<u>\$ 485,428</u>	<u>\$ 271,952</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Wastewater Capital Improvement Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Special assessments	\$ -	\$ 192,946
Use of money and property	904	11,815
Transfers In	<u>1,500,000</u>	<u>900,000</u>
Total Receipts	<u>1,500,904</u>	<u>1,104,761</u>
Expenditures		
Capital outlay	<u>154,930</u>	<u>532,650</u>
Total Expenditures	<u>154,930</u>	<u>532,650</u>
Receipts Over [Under] Expenditures	1,345,974	572,111
Unencumbered Cash, Beginning	<u>144,471</u>	<u>1,490,445</u>
Unencumbered Cash, Ending	<u>\$ 1,490,445</u>	<u>\$ 2,062,556</u>

* - This fund is not required to be budgeted.

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Water/Sewer Bond Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 2,293	\$ 2,135
Total Receipts	<u>2,293</u>	<u>2,135</u>
Expenditures		
Miscellaneous	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	2,293	2,135
Unencumbered Cash, Beginning	<u>283,708</u>	<u>286,001</u>
Unencumbered Cash, Ending	<u>\$ 286,001</u>	<u>\$ 288,136</u>

* This fund is not required to be budgeted

CITY OF LOUISBURG, KANSAS
 Water/Sewer Depreciation Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2018 and 2017

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 1,440	\$ 778
Total Receipts	<u>1,440</u>	<u>778</u>
Expenditures		
Miscellaneous	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	1,440	778
Unencumbered Cash, Beginning	<u>205,542</u>	<u>206,982</u>
Unencumbered Cash, Ending	<u>\$ 206,982</u>	<u>\$ 207,760</u>

* This fund is not required to be budgeted

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

<u>FUNDS</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Municipal Court	\$ 5,175	\$ 3,350	\$ 2,128	\$ 6,397
Total Agency Funds	<u>\$ 5,175</u>	<u>\$ 3,350</u>	<u>\$ 2,128</u>	<u>\$ 6,397</u>

See independent auditor's report on the financial statements.