

**CITY OF LOUISBURG, KANSAS**

**Financial Statements**

**For the Year Ended December 31, 2015**

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CITY OF LOUISBURG, KANSAS  
 Financial Statements  
 For the Year Ended December 31, 2015

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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, 2015, 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 described in Note 1 of 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.

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*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, 2015, 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, 2015, 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 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.

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we rendered an unmodified opinion dated August 17, 2015. The 2014 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://da.ks.gov/ar/muniserv/>. Such 2014 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 2014 basic financial statement. The 2014 comparative information was subjected to auditing procedures applied in the audit of the 2014 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 2014 basic financial statement or to the 2014 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 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note 1.

*Mize Houser & Company PA*

Certified Public Accountants  
Lawrence, Kansas

March 24, 2016

CITY OF LOUISBURG, KANSAS  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2015

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	\$ 2,302,312	\$ 3,100,597	\$ 3,236,881	\$ 2,166,028	\$ -	\$ 2,166,028
Special Purpose Funds:						
Special Street Fund	1,880,008	805,377	626,827	2,058,558	-	2,058,558
Excise Tax Fund	233,760	24,755	-	258,515	-	258,515
Cops for Kids Fund	5,304	1,932	227	7,009	-	7,009
Aquatic Center Operations Fund	701,109	482,529	191,687	991,951	-	991,951
Lewis Young Park Donations Fund	97,521	19,087	-	116,608	-	116,608
Lewis Young Park Lighting Fund	56,645	252	305	56,592	-	56,592
Infrastructure Improvement Fund	830,558	1,260,890	1,449,933	641,515	55,528	697,043
Stormwater Fund	628,219	88,823	33,338	683,704	-	683,704
Cemetery Commission Fund	62,977	14,863	22,427	55,413	-	55,413
Fox Hall Commission Fund	37,696	9,391	7,755	39,332	-	39,332
Bond and Interest Funds:						
Bond and Interest Fund	753,956	1,003,591	1,038,875	718,672	-	718,672
Business Funds:						
Natural Gas Fund	2,006,864	1,073,573	992,033	2,088,404	76,140	2,164,544
Natural Gas Capital Improvement Fund	264,503	101,224	50,000	315,727	-	315,727
Water Fund	124,790	1,700,993	1,541,094	284,689	18,994	303,683
Water Capital Improvement Fund	763,738	3,539	86,850	680,427	-	680,427
Water Utility Surplus Fund	987,760	4,576	240,000	752,336	-	752,336
Wastewater Fund	1,066,907	474,877	560,743	981,041	106	981,147
Wastewater Capital Improvement Fund	110,862	100,513	50,000	161,375	-	161,375
Water/Sewer Bond Reserve Fund	281,104	1,304	-	282,408	-	282,408
Water/Sewer Depreciation Reserve Fund	181,797	22,928	-	204,725	-	204,725
<b>Total</b>	<b>\$ 13,378,390</b>	<b>\$ 10,295,614</b>	<b>\$ 10,128,975</b>	<b>\$ 13,545,029</b>	<b>\$ 150,768</b>	<b>\$ 13,695,797</b>

COMPOSITION OF CASH:

Peoples Bank	
Checking	\$ 3,872
Fox Hall	13,701
Petty Cash	1,185
Municipal Court	5,575
Freedom Fund	11,681
First National Bank	
Checking	7,274
Fox Hall Savings	3,702
Fox Hall Certificates of Deposit	15,068
Landmark	
Fox Hall Certificates of Deposit	6,859
First Option Bank	
Checking	13,643,636
Petty cash on hand	500
<b>Total Cash</b>	<b>13,713,053</b>
Agency Funds per Schedule 3	[17,256]
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<b>\$ 13,695,797</b>

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, 2015

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

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts, recording cash balances and other financial resources, together with all related liabilities and residual equities of 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 City for the year ended December 31, 2015:

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, 2015

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, 2015.

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, 2015

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, 2015, 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 under secured at December 31, 2015, which is a violation of K.S.A. 9-1402.

At December 31, 2015, the City's carrying amount of deposits was \$13,713,053 and the bank balance was \$13,890,063. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$320,822 was covered by federal depository insurance; \$13,565,401 was collateralized with securities held by the pledging financial institutions' agents in the City's name; and \$3,840 was under secured, which is a violation of K.S.A. 9-1402.

*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](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Funding Policy -* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. 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 .85% contribution rate for Death and Disability Program) and the statutory contribution rate 9.48% for the fiscal year ended December 31, 2015. Contributions to the pension plan from the City were \$123,368 for the year ended December 31, 2015.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2015

NOTE 3 – Retirement Plan (Continued)

*Net Pension Liability.* At December 31, 2015, the City's proportionate share of the collective net pension liability reported by KPERS was \$876,483. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. 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 of 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 publically available on the KPERS website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

NOTE 4 – Long-Term Debt

Following is a summary of changes in long-term debt for the year ended December 31, 2015:

	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Subtractions from Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
Paid by taxes					
General Obligation Bonds	\$ 6,150,000	\$ -	\$ 890,000	\$ 5,260,000	\$ 148,875
Temporary Notes	-	900,000	-	900,000	-
Capital Leases	-	630,000	-	630,000	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Totals	<u>\$ 6,150,000</u>	<u>\$ 1,530,000</u>	<u>\$ 890,000</u>	<u>\$ 6,790,000</u>	<u>\$ 148,875</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>	<u>Amount Outstanding at December 31, 2015</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid by taxes					
G.O. Bonds issued:					
Series 2008A	3.80 - 4.30%	1,600,000	\$ 545,000	11/4/2008	9/1/2018
Series 2013A	2.00 - 2.25%	5,560,000	4,715,000	1/10/2013	9/1/2026
			<u>\$ 5,260,000</u>		

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2015

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>	
2016	\$ 1,013,355
2017	936,780
2018	831,020
2019	566,550
2020	461,350
2021-2025	1,701,350
2026	<u>265,850</u>
Total Principal and Interest	5,776,255
Less: Interest	<u>516,255</u>
Total Principal	<u>\$ 5,260,000</u>

*General Obligation Temporary Notes.* On November 18, 2015, the City entered into a temporary note agreement in the amount of \$900,000 to finance the construction of the new city hall building. The notes were issued in Series 2015-A General Obligation Temporary Notes, and have an interest rate of 1.00% to 2.00%.

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

<u>Year Ending December 31,</u>	
2016	\$ 312,863
2017	310,500
2018	<u>306,000</u>
Total Principal and Interest	929,363
Less: Interest	<u>29,363</u>
Total Principal	<u>\$ 900,000</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>	
2016	\$ 97,082
2017	97,082
2018	97,082
2019	97,082
2020	97,082
2021-2022	<u>194,164</u>
Total Principal and Interest	679,573
Less: Interest	<u>49,573</u>
Total Principal	<u>\$ 630,000</u>

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2015

NOTE 5 – Customer Deposits

Customer deposits payable, in the amount of \$38,512 and \$23,362, are reported as outstanding encumbrances in the Natural Gas and Water Funds, respectively.

NOTE 6 – Interfund Transfers

A reconciliation of transfers by fund type for 2015 follows:

From	To	Amount	Regulatory Authority
General	Infrastructure Improvement	\$ 124,000	K.S.A. 12-1,118
General	Special Street	500,000	K.S.A. 12-1,119
Aquatic Center Operations	Bond and Interest	37,000	K.S.A. 12-825d
Natural Gas	General	10,000	K.S.A. 12-825d
Natural Gas	Bond and Interest	73,000	K.S.A. 12-825d
Natural Gas	Natural Gas Capital Improvement	100,000	K.S.A. 12-825d
Water	Water/Sewer Depreciation Reserve	22,113	K.S.A. 12-825d
Water Utility Surplus	Water	240,000	K.S.A. 12-825d
Wastewater	Bond and Interest	68,605	K.S.A. 12-825d
Wastewater	Wastewater Capital Improvement	100,000	K.S.A. 12-825d
	Total	<u>\$ 1,274,718</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

Accumulated sick leave benefits are to be paid at a rate equal to the pay rate at the time of termination. Total accrued sick leave was \$48,516 at December 31, 2015.

Full-time employees accrue vacation 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 one hundred sixty 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. Total accrued vacation leave was \$63,790 at December 31, 2015.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2015

NOTE 8 – Commitments

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.

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

Year Ending <u>December 31,</u>	
2016	\$ 1,669,000
2017	1,706,800
2018	1,712,800
2019	1,753,200
2020	1,781,600
2021-2025	9,469,525
2026-2030	10,462,981
2031-2035	11,456,550
2036-2040	13,540,594
2041-2043	<u>11,001,844</u>
Total Principal and Interest	64,554,894
Less: Interest	<u>30,254,894</u>
Total Principal	<u>\$ 34,300,000</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.

NOTE 9 – Commitments and Contingencies

The City receives significant financial assistance from numerous federal 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, 2015.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2015

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 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 government under this program.

CITY OF LOUISBURG, KANSAS  
 Summary of Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2015

	<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	\$ 3,120,125	\$ 630,000	\$ 3,750,125	\$ 3,236,881	\$ 513,244
Special Purpose Funds:					
Special Street Fund	2,000,000	-	2,000,000	626,827	1,373,173
Cops for Kids Fund	5,000	-	5,000	227	4,773
Aquatic Center Operations Fund	449,000	-	449,000	191,687	257,313
Lewis Young Park Donations Fund	40,000	-	40,000	-	40,000
Lewis Young Park Lighting Fund	25,000	-	25,000	305	24,695
Cemetery Commission Fund	40,000	-	40,000	22,427	17,573
Fox Hall Commission Fund	20,000	-	20,000	7,755	12,245
Bond and Interest Funds:					
Bond and Interest Fund	1,637,675	-	1,637,675	1,038,875	598,800
Business Funds:					
Natural Gas Fund	1,623,000	-	1,623,000	992,033	630,967
Water Fund	1,659,320	-	1,659,320	1,541,094	118,226
Wastewater Fund	692,000	-	692,000	560,743	131,257

CITY OF LOUISBURG, KANSAS  
 General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 1,092,606	\$ 1,044,602	\$ 1,019,132	\$ 25,470
Intergovernmental	997,081	948,206	937,582	10,624
Licenses and permits	150,274	250,101	315,000	[64,899]
Fines and fees	88,955	87,500	-	87,500
Use of money and property	41,852	56,679	-	56,679
Lease proceeds	-	630,000	-	630,000
Miscellaneous	64,474	73,509	-	73,509
Transfer in	-	10,000	-	10,000
Total Receipts	<u>2,435,242</u>	<u>3,100,597</u>	<u>\$ 2,271,714</u>	<u>\$ 828,883</u>
Expenditures				
General government	267,949	337,099	\$ 530,225	\$ 193,126
Public safety	901,804	1,707,551	920,900	[786,651]
Building and zoning	51,377	54,764	80,000	25,236
Parks and recreation	151,688	129,522	210,000	80,478
Public works	234,015	283,324	470,000	186,676
Municipal court	58,801	49,857	62,000	12,143
Building inspection	47,243	50,764	73,000	22,236
Transfer out	550,000	624,000	774,000	150,000
Qualifying budget credit	-	-	630,000	630,000
Total Expenditures	<u>2,262,877</u>	<u>3,236,881</u>	<u>\$ 3,750,125</u>	<u>\$ 513,244</u>
Receipts Over [Under] Expenditures	172,365	[136,284]		
Unencumbered Cash, Beginning	<u>2,129,947</u>	<u>2,302,312</u>		
Unencumbered Cash, Ending	<u>\$ 2,302,312</u>	<u>\$ 2,166,028</u>		

See independent auditor's report on the financial statements.



CITY OF LOUISBURG, KANSAS  
Special Street Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2015  
(With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 98,858	\$ 293,242	\$ 110,120	\$ 183,122
Use of money and property	7,505	8,455	-	8,455
Reimbursed expenses	-	3,680	-	3,680
Transfer in	<u>550,000</u>	<u>500,000</u>	<u>650,000</u>	<u>[150,000]</u>
Total Receipts	<u>656,363</u>	<u>805,377</u>	<u>\$ 760,120</u>	<u>\$ 45,257</u>
Expenditures				
Highways and streets	<u>744,494</u>	<u>626,827</u>	<u>\$ 2,000,000</u>	<u>\$ 1,373,173</u>
Total Expenditures	<u>744,494</u>	<u>626,827</u>	<u>\$ 2,000,000</u>	<u>\$ 1,373,173</u>
Receipts Over [Under] Expenditures	[88,131]	178,550		
Unencumbered Cash, Beginning	<u>1,968,139</u>	<u>1,880,008</u>		
Unencumbered Cash, Ending	<u>\$ 1,880,008</u>	<u>\$ 2,058,558</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Excise Tax Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Taxes	\$ -	\$ 20,409
Use of money and property	957	1,083
Miscellaneous	<u>-</u>	<u>3,263</u>
Total Receipts	<u>957</u>	<u>24,755</u>
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	957	24,755
Unencumbered Cash, Beginning	<u>232,803</u>	<u>233,760</u>
Unencumbered Cash, Ending	<u>\$ 233,760</u>	<u>\$ 258,515</u>

\* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS  
 Cops for Kids Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ -	\$ 1,908	\$ 2,000	\$ [92]
Use of money and property	<u>22</u>	<u>24</u>	<u>-</u>	<u>24</u>
Total Receipts	<u>22</u>	<u>1,932</u>	<u>\$ 2,000</u>	<u>\$ [68]</u>
Expenditures				
Public safety	<u>1,318</u>	<u>227</u>	<u>\$ 5,000</u>	<u>\$ 4,773</u>
Total Expenditures	<u>1,318</u>	<u>227</u>	<u>\$ 5,000</u>	<u>\$ 4,773</u>
Receipts Over [Under] Expenditures	[1,296]	1,705		
Unencumbered Cash, Beginning	<u>6,600</u>	<u>5,304</u>		
Unencumbered Cash, Ending	<u>\$ 5,304</u>	<u>\$ 7,009</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, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 85,249	\$ 84,554	\$ 87,000	\$ [2,446]
Intergovernmental	267,143	393,150	420,454	[27,304]
Miscellaneous	-	624	-	624
Use of money and property	<u>3,499</u>	<u>4,201</u>	<u>1,840</u>	<u>2,361</u>
Total Receipts	<u>355,891</u>	<u>482,529</u>	<u>\$ 509,294</u>	<u>\$ [26,765]</u>
Expenditures				
Culture and recreation	135,291	154,687	\$ 412,000	\$ 257,313
Transfer out	<u>19,406</u>	<u>37,000</u>	<u>37,000</u>	<u>-</u>
Total Expenditures	<u>154,697</u>	<u>191,687</u>	<u>\$ 449,000</u>	<u>\$ 257,313</u>
Receipts Over [Under] Expenditures	201,194	290,842		
Unencumbered Cash, Beginning	<u>499,915</u>	<u>701,109</u>		
Unencumbered Cash, Ending	<u>\$ 701,109</u>	<u>\$ 991,951</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, 2015  
(With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ -	\$ 6,400	\$ 500	\$ 5,900
Intergovernmental	14,185	12,288	13,500	[1,212]
Use of money and property	353	399	400	[1]
Total Receipts	<u>14,538</u>	<u>19,087</u>	<u>\$ 14,400</u>	<u>\$ 4,687</u>
Expenditures				
Culture and recreation	-	-	\$ 40,000	\$ 40,000
Total Expenditures	-	-	<u>\$ 40,000</u>	<u>\$ 40,000</u>
Receipts Over [Under] Expenditures	14,538	19,087		
Unencumbered Cash, Beginning	<u>82,983</u>	<u>97,521</u>		
Unencumbered Cash, Ending	<u>\$ 97,521</u>	<u>\$ 116,608</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, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ 1,040	\$ -	\$ 1,000	\$ [1,000]
Fines and fees	1,200	-	6,000	[6,000]
Use of money and property	<u>223</u>	<u>252</u>	<u>-</u>	<u>252</u>
Total Receipts	<u>2,463</u>	<u>252</u>	<u>\$ 7,000</u>	<u>\$ [6,748]</u>
Expenditures				
Culture and recreation	<u>-</u>	<u>305</u>	<u>\$ 25,000</u>	<u>\$ 24,695</u>
Total Expenditures	<u>-</u>	<u>305</u>	<u>\$ 25,000</u>	<u>\$ 24,695</u>
Receipts Over [Under] Expenditures	2,463	[53]		
Unencumbered Cash, Beginning	<u>54,182</u>	<u>56,645</u>		
Unencumbered Cash, Ending	<u>\$ 56,645</u>	<u>\$ 56,592</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Infrastructure Improvement Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Intergovernmental	\$ 267,143	\$ 233,134
Use of money and property	3,193	3,746
Temporary note proceeds	-	900,010
Transfer in	-	124,000
Total Receipts	<u>270,336</u>	<u>1,260,890</u>
Expenditures		
Capital outlay	19,420	1,440,798
Temporary note issuance costs	-	9,135
Total Expenditures	<u>19,420</u>	<u>1,449,933</u>
Receipts Over [Under] Expenditures	250,916	[189,043]
Unencumbered Cash, Beginning	<u>579,642</u>	<u>830,558</u>
Unencumbered Cash, Ending	<u>\$ 830,558</u>	<u>\$ 641,515</u>

\* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS  
 Stormwater Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 82,118	\$ 85,878
Use of money and property	<u>2,557</u>	<u>2,945</u>
Total Receipts	<u>84,675</u>	<u>88,823</u>
Expenditures		
Operations	<u>-</u>	<u>33,338</u>
Total Expenditures	<u>-</u>	<u>33,338</u>
Receipts Over [Under] Expenditures	84,675	55,485
Unencumbered Cash, Beginning	<u>543,544</u>	<u>628,219</u>
Unencumbered Cash, Ending	<u>\$ 628,219</u>	<u>\$ 683,704</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, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 25,725	\$ 14,000	\$ 20,000	\$ [6,000]
Donations	350	600	1,000	[400]
Use of money and property	260	263	-	263
Total Receipts	<u>26,335</u>	<u>14,863</u>	<u>\$ 21,000</u>	<u>\$ [6,137]</u>
Expenditures				
General government	<u>17,258</u>	<u>22,427</u>	<u>\$ 40,000</u>	<u>\$ 17,573</u>
Total Expenditures	<u>17,258</u>	<u>22,427</u>	<u>\$ 40,000</u>	<u>\$ 17,573</u>
Receipts Over [Under] Expenditures	9,077	[7,564]		
Unencumbered Cash, Beginning	<u>53,900</u>	<u>62,977</u>		
Unencumbered Cash, Ending	<u>\$ 62,977</u>	<u>\$ 55,413</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, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Rents	\$ 7,300	\$ 7,645	\$ 9,000	\$ [1,355]
Use of money and property	-	221	150	71
Donations	<u>880</u>	<u>1,525</u>	<u>1,000</u>	<u>525</u>
Total Receipts	<u>8,180</u>	<u>9,391</u>	<u>\$ 10,150</u>	<u>\$ [759]</u>
Expenditures				
Culture and recreation	<u>7,342</u>	<u>7,755</u>	<u>\$ 20,000</u>	<u>\$ 12,245</u>
Total Expenditures	<u>7,342</u>	<u>7,755</u>	<u>\$ 20,000</u>	<u>\$ 12,245</u>
Receipts Over [Under] Expenditures	838	1,636		
Unencumbered Cash, Beginning	<u>36,858</u>	<u>37,696</u>		
Unencumbered Cash, Ending	<u>\$ 37,696</u>	<u>\$ 39,332</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, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 600,875	\$ 819,750	\$ 524,224	\$ 295,526
Use of money and property	3,105	5,236	8,000	[2,764]
Transfer in	<u>90,097</u>	<u>178,605</u>	<u>420,000</u>	<u>[241,395]</u>
Total Receipts	<u>694,077</u>	<u>1,003,591</u>	<u>\$ 952,224</u>	<u>\$ 51,367</u>
Expenditures				
Principal	945,585	919,505	\$ 1,108,500	\$ 188,995
Interest	143,345	119,370	169,175	49,805
Bond issue costs	-	-	20,000	20,000
Cash basis reserve	<u>-</u>	<u>-</u>	<u>340,000</u>	<u>340,000</u>
Total Expenditures	<u>1,088,930</u>	<u>1,038,875</u>	<u>\$ 1,637,675</u>	<u>\$ 598,800</u>
Receipts Over [Under] Expenditures	[394,853]	[35,284]		
Unencumbered Cash, Beginning	<u>1,148,809</u>	<u>753,956</u>		
Unencumbered Cash, Ending	<u>\$ 753,956</u>	<u>\$ 718,672</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, 2015  
 (With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,438,015	\$ 1,063,140	\$ 1,100,000	\$ [36,860]
Use of money and property	8,237	9,687	11,000	[1,313]
Miscellaneous	-	746	-	746
Total Receipts	<u>1,446,252</u>	<u>1,073,573</u>	<u>\$ 1,111,000</u>	<u>\$ [37,427]</u>
Expenditures				
Operations	1,187,661	809,033	\$ 1,440,000	\$ 630,967
Transfer out	36,168	183,000	183,000	-
Total Expenditures	<u>1,223,829</u>	<u>992,033</u>	<u>\$ 1,623,000</u>	<u>\$ 630,967</u>
Receipts Over [Under] Expenditures	222,423	81,540		
Unencumbered Cash, Beginning	<u>1,784,441</u>	<u>2,006,864</u>		
Unencumbered Cash, Ending	<u>\$ 2,006,864</u>	<u>\$ 2,088,404</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, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers In	\$ -	\$ 100,000
Use of money and property	<u>1,082</u>	<u>1,224</u>
Total Receipts	<u>1,082</u>	<u>101,224</u>
Expenditures		
Capital outlay	<u>-</u>	<u>50,000</u>
Total Expenditures	<u>-</u>	<u>50,000</u>
Receipts Over [Under] Expenditures	1,082	51,224
Unencumbered Cash, Beginning	<u>263,421</u>	<u>264,503</u>
Unencumbered Cash, Ending	<u>\$ 264,503</u>	<u>\$ 315,727</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, 2015  
(With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,388,768	\$ 1,459,072	\$ 1,418,970	\$ 40,102
Transfer in	202,245	240,000	240,000	-
Use of money and property	436	1,921	350	1,571
Total Receipts	<u>1,591,449</u>	<u>1,700,993</u>	<u>\$ 1,659,320</u>	<u>\$ 41,673</u>
Expenditures				
Administration	292,331	187,925	\$ 384,800	\$ 196,875
Operations	1,164,022	1,289,577	1,136,720	[152,857]
Production	[26,827]	7,182	20,800	13,618
Rebate	750	19,770	2,000	[17,770]
Capital outlay	1,653	14,527	45,000	30,473
Transfer out	34,730	22,113	70,000	47,887
Total Expenditures	<u>1,466,659</u>	<u>1,541,094</u>	<u>\$ 1,659,320</u>	<u>\$ 118,226</u>
Receipts Over [Under] Expenditures	124,790	159,899		
Unencumbered Cash, Beginning	-	124,790		
Unencumbered Cash, Ending	<u>\$ 124,790</u>	<u>\$ 284,689</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, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 3,276	\$ 3,539
Total Receipts	<u>3,276</u>	<u>3,539</u>
Expenditures		
Capital outlay	<u>36,850</u>	<u>86,850</u>
Total Expenditures	<u>36,850</u>	<u>86,850</u>
Receipts Over [Under] Expenditures	[33,574]	[83,311]
Unencumbered Cash, Beginning	<u>797,312</u>	<u>763,738</u>
Unencumbered Cash, Ending	<u>\$ 763,738</u>	<u>\$ 680,427</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, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 3,924	\$ 4,576
Miscellaneous	4,939	-
Transfer in	<u>29,455</u>	<u>-</u>
Total Receipts	<u>38,318</u>	<u>4,576</u>
 Expenditures		
Transfers out	<u>202,245</u>	<u>240,000</u>
Total Expenditures	<u>202,245</u>	<u>240,000</u>
 Receipts Over [Under] Expenditures	 [163,927]	 [235,424]
 Unencumbered Cash, Beginning	 <u>1,151,687</u>	 <u>987,760</u>
 Unencumbered Cash, Ending	 <u>\$ 987,760</u>	 <u>\$ 752,336</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, 2015  
(With Comparative Actual Amounts For the Year Ended December 31, 2014)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 431,619	\$ 470,063	\$ 430,000	\$ 40,063
Use of money and property	-	-	5,000	[5,000]
Miscellaneous	<u>4,230</u>	<u>4,814</u>	-	<u>4,814</u>
Total Receipts	<u>435,849</u>	<u>474,877</u>	<u>\$ 435,000</u>	<u>\$ 39,877</u>
Expenditures				
Operations	343,769	389,608	\$ 452,000	\$ 62,392
Capital outlay	1,823	2,530	50,000	47,470
Transfer out	<u>34,524</u>	<u>168,605</u>	<u>190,000</u>	<u>21,395</u>
Total Expenditures	<u>380,116</u>	<u>560,743</u>	<u>\$ 692,000</u>	<u>\$ 131,257</u>
Receipts Over [Under] Expenditures	55,733	[85,866]		
Unencumbered Cash, Beginning	<u>1,011,174</u>	<u>1,066,907</u>		
Unencumbered Cash, Ending	<u>\$ 1,066,907</u>	<u>\$ 981,041</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, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 453	\$ 513
Transfers In	<u>-</u>	<u>100,000</u>
Total Receipts	<u>453</u>	<u>100,513</u>
 Expenditures		
Capital outlay	<u>-</u>	<u>50,000</u>
Total Expenditures	<u>-</u>	<u>50,000</u>
 Receipts Over [Under] Expenditures	 453	 50,513
 Unencumbered Cash, Beginning	 <u>110,409</u>	 <u>110,862</u>
 Unencumbered Cash, Ending	 <u>\$ 110,862</u>	 <u>\$ 161,375</u>

\* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS  
 Water/Sewer Bond Reserve Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 1,104	\$ 1,304
Total Receipts	<u>1,104</u>	<u>1,304</u>
Expenditures		
Miscellaneous	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	1,104	1,304
Unencumbered Cash, Beginning	<u>280,000</u>	<u>281,104</u>
Unencumbered Cash, Ending	<u>\$ 281,104</u>	<u>\$ 282,408</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, 2015 and 2014

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 722	\$ 815
Transfer in	<u>5,275</u>	<u>22,113</u>
Total Receipts	<u>5,997</u>	<u>22,928</u>
 Expenditures		
Miscellaneous	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
 Receipts Over [Under] Expenditures	5,997	22,928
 Unencumbered Cash, Beginning	<u>175,800</u>	<u>181,797</u>
 Unencumbered Cash, Ending	<u>\$ 181,797</u>	<u>\$ 204,725</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, 2015

<u>FUNDS</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Municipal Court	\$ 4,675	\$ 5,050	\$ 4,150	\$ 5,575
Freedom Fund	<u>7,300</u>	<u>5,907</u>	<u>1,526</u>	<u>11,681</u>
Total Agency Funds	<u>\$ 11,975</u>	<u>\$ 10,957</u>	<u>\$ 5,676</u>	<u>\$ 17,256</u>

See independent auditor's report on the financial statements.