

CITY OF SOUTH HUTCHINSON, KANSAS

DECEMBER 31, 2016

CITY OF SOUTH HUTCHINSON, KANSAS

TABLE OF CONTENTS
December 31, 2016

INDEPENDENT AUDITORS' REPORT.....	1-2
FINANCIAL STATEMENT	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis.....	3-4
NOTES TO THE FINANCIAL STATEMENT.....	5-12
SCHEDULE 1	
Summary of Expenditures - Regulatory Basis (Actual and Budget).....	13
SCHEDULE 2	
Schedule of Receipts and Expenditures - Regulatory Basis (Actual and Budget)	
General Fund.....	14-16
Flood Control Fund.....	17
Employee Benefits Fund.....	18
Special Highway Fund.....	19
Convention and Tourism Fund.....	20
Special Parks Fund.....	21
Street/Economic Development - Sales Tax Fund.....	22
Diversion Fund.....	23
Bond and Interest Fund.....	24
Water Fund.....	25
Sewer Fund.....	26
Schedule of Receipts and Expenditures - Regulatory Basis (Actual)	
Business Nonbudgeted Funds.....	27
Special Purpose Nonbudgeted Funds.....	28
Capital Projects Nonbudgeted Funds.....	29

INDEPENDENT AUDITORS' REPORT

Roger W. Field, CPA
Gregory D. Daughhete, CPA
Clark R. Cowl, CPA
Todd V. Pflughoeft, CPA
Steven R. Stoecklein, CPA
Kenneth D. Hamby, CPA
Michael R. Meisenheimer, CPA
Nick L. Muetting, CPA
Billy J. Klug, CPA
Randall R. Hofmeier, CPA
Brent L. Knoche, CPA
Brian W. Mapel, CPA
Jeffrey D. Reece, CPA
Brady H. Byrnes, CPA

Mayor and City Council
City of South Hutchinson, Kansas

Report on the Financial Statement

We have audited the accompanying regulatory basis summary statement of receipts, expenditures, and unencumbered cash of City of South Hutchinson, Kansas (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the regulatory basis of accounting reporting provisions permitted in the Kansas Municipal Audit and Accounting Guide (KMAAG), 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 preparing the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' 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 KMAAG. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, 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 the accounting policies used and the reasonableness of significant 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 reasonable 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 permitted in KMAAG, 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 matters 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 accordance with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2016, or the respective changes in financial position or where applicable, its changes in cash flows for the year then ended.

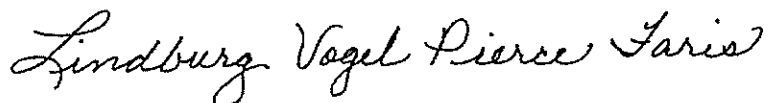
Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City, as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions permitted in KMAAG described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of receipts, expenditures, and unencumbered cash – regulatory basis (basic financial statement) as a whole. The summary of expenditures – regulatory basis – actual and budget and the individual fund schedules of receipts and expenditures – regulatory basis – actual and budget (Schedules 1 through 2, as listed in the table of contents) are presented for additional analysis and are not a required part of the basic financial statement; however, they are required to be presented under the provisions in KMAAG. 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.



Certified Public Accountants

Hutchinson, Kansas
September 16, 2017

CITY OF SOUTH HUTCHINSON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -
REGULATORY BASIS

For Year Ended December 31, 2016

Page 1 of 2

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND	\$ 678,155	\$ 1,970,283	\$ 2,443,909	\$ 204,529	\$ 41,970	\$ 246,499
SPECIAL PURPOSE FUNDS						
Flood Control	5,945	25,791	23,027	8,709	-	8,709
Employee Benefits	1,623	86,355	55,357	32,621	456	33,077
Special Highway	106,741	77,822	122,253	62,310	1,959	64,269
Convention and Tourism	-	58,675	58,675	-	-	-
Special Parks	3,256	124	-	3,380	-	3,380
Street/Economic Development	182,514	104,331	89,852	196,993	477	197,470
Diversions	9,108	3,435	350	12,193	-	12,193
ASAP	26,683	18,247	17,406	27,524	-	27,524
D.A.R.E.	965	110	-	1,075	-	1,075
Donations	6,902	6,720	6,069	7,553	-	7,553
Community Center	-	2,843	-	2,843	-	2,843
Special Projects	42,213	5,450	29,511	18,152	3,659	21,811
Reno County Veterans Memorial	9,708	-	9,708	-	-	-
Health Insurance	180,616	75,819	84,173	172,262	-	172,262
Building Reserve	322,154	142,356	165,872	298,638	857	299,495
Equipment Reserve	20,276	226,871	365,441	(118,294)	427,128	308,834
Special Law Enforcement	2,206	1	-	2,207	-	2,207
BOND AND INTEREST FUNDS						
Bond and Interest	62,163	1,202,434	1,082,860	181,737	89	181,826
CAPITAL PROJECTS	1,359,115	940,247	1,458,348	841,014	54,632	895,646
BUSINESS FUNDS						
Water	239,857	596,059	613,825	222,091	14,399	236,490
Water Reserve	167,119	-	114,196	52,923	-	52,923
Sewer	610,833	1,070,998	1,437,577	244,254	30,474	274,728
Sewer Replacement	246,435	-	195,935	50,500	-	50,500
TOTAL REPORTING ENTITY	\$ 4,284,587	\$ 6,614,971	\$ 8,374,344	\$ 2,525,214	\$ 576,100	\$ 3,101,314

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

CITY OF SOUTH HUTCHINSON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -
REGULATORY BASIS
For Year Ended December 31, 2016

Page 2 of 2

COMPOSITION OF CASH

Checking accounts	
Bank SNB, South Hutchinson, Kansas	\$ 1,202,482
Farmers Bank and Trust, Great Bend, Kansas	173,382
 Certificates of deposit	
Bank SNB, South Hutchinson, Kansas	1,725,000
 Petty cash	<u>450</u>
 TOTAL REPORTING ENTITY	<u>\$ 3,101,314</u>

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

CITY OF SOUTH HUTCHINSON, KANSAS
NOTES TO THE FINANCIAL STATEMENT
December 31, 2016

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

City of South Hutchinson, Kansas (the City) is a municipal corporation governed by an elected mayor and five-member council.

Basis of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures/expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

Kansas Municipal Audit and Accounting Guide Regulatory Basis of Presentation Fund Definitions

The following types of funds comprise the financial activities of the City for the year of 2016:

General Fund – to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds – to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.

Capital Project Funds – to account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Bond and Interest Funds – to account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Business Funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Regulatory Basis of Accounting and Departures from Generally Accepted Accounting Principles

The regulatory basis of accounting as prescribed in the Kansas Municipal Audit and Accounting Guide (KMAAG) 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 reporting the changes in unencumbered cash and investments of a fund resulting from the regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables, and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

The 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 municipality to use the regulatory basis of accounting.

Interest Income

Unless specifically designated, all investment income is credited to the General Fund.

Temporary Notes

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Temporary notes outstanding are retired from the proceeds of the sale of general obligation bonds or from other City funds.

Special Assessments

Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special Assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special Assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

Reimbursed Expenditures

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

Use of Estimates

The process of preparing the financial statement requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statement. Accordingly, upon settlement, actual results may differ from estimated amounts.

Budgets

Kansas statutes require that an annual operating budget be legally adopted for all funds (including Bond and Interest and Business Funds) unless exempted by a specific statute. The statutes provided for the following sequence and timetable in adoption of the legal annual operating budget:

1. Preparation of budget for the succeeding calendar year on or before August 1 of each year.
2. Publication of proposed budget on or before August 5 of each year.
3. Public hearing on or before August 15 of each year, but at least ten days after publication of notice of hearing.
4. Adoption of final budget on or before August 25 of each year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds.

All legal annual operating budgets are prepared using the modified accrual basis of accounting modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Business Funds, Capital Projects Funds, and the following Special Purpose Funds:

D.A.R.E	Special Law Enforcement	Donations
Building Reserve	Equipment Reserve	ASAP
Special Projects	Reno County Veterans Memorial	Health Insurance
Community Center		

Original appropriations are modified by supplemental appropriation and transfers among budget categories. The City Council approves all significant changes.

Taxes levied to finance the budget become a lien against all property November 1. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. These taxes are made available to the City after January 1 and are distributed by the County Treasurer generally in the months of January and June. Delinquent tax collections are distributed throughout the year.

NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Equipment Reserve Fund had a deficit ending unencumbered cash balance of \$118,294 for the year ended December 31, 2016, a violation of K.S.A. 10-1113, the cash-basis law.

Management was not aware of any other material statutory violations.

NOTE 3—DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the summary statement of receipts, expenditures, and unencumbered cash. In addition, investments are held separately by some of the City's funds. The cash balances of certain funds are restricted as to their use.

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 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 Federal Deposit Insurance Corporation (FDIC) coverage. The City has no other policies that would further limit interest rate risk.

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

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 FDIC insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2016.

Deposits

At year end, the carrying amount of the City's deposits, including certificates of deposit, was \$3,100,864. The bank balance was \$3,118,552. The bank balance was held by two banks with the majority held by one bank resulting in a concentration of credit risk. Of the bank balance, \$443,412 was covered by FDIC insurance and the remaining \$2,675,140 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank 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 4—LONG-TERM DEBT

Terms of the City's long-term debt outstanding for the year ended December 31, 2016, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Interest Due</u>	<u>Principal Due</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General Obligation Bonds						
Series 2009	5.75%	07/01/09	5-1, 11-1	11-1	\$ 29,000	11/01/19
Series 2012	3.00% to 3.25%	07/26/12	3-1, 9-1	9-1	5,680,000	09/01/32
Series 2016	2.00% to 3.00%	09/15/16	5-1, 11-1	11-1	3,845,000	11/01/36
Temporary Improvement Note						
Series 2015	1.25% to 1.50%	11/10/15	4-1, 10-1	10-1	5,080,000	10/01/18
Series 2016	1.25%	10/19/16	4-1, 10-1	10-1	530,000	10/01/17
Equipment Loan						
Bank SNB	3.25%	09/10/14	2-15	2-15	330,317	02/15/18
Bank SNB	3.25%	05/29/15	7-01	7-01	210,613	07/01/19

Changes in long-term debt for the City for the year ended December 31, 2016, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2007	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ 32,865
Series 2009	13,000	-	3,000	10,000	748
Series 2012	3,890,000	-	645,000	3,245,000	117,350
Series 2016	-	3,845,000	-	3,845,000	-
Temporary Improvement Note					
Series 2015	5,080,000	-	3,720,000	1,360,000	59,653
Series 2016	-	530,000	-	530,000	-
Other Loans					
Bank SNB	194,356	-	62,769	131,587	6,374
Bank SNB	166,187	-	39,558	126,629	5,468
Total Bonded Indebtedness	\$ 10,243,543	\$ 4,375,000	\$ 5,370,327	\$ 9,248,216	\$ 222,458

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

	Principal			Total Principal
	General Obligation Bonds	Equipment Loans	Temporary Improvement Notes	
2017	\$ 928,000	\$ 110,035	\$ 530,000	\$ 1,568,035
2018	978,000	104,621	1,360,000	2,442,621
2019	509,000	43,560	-	552,560
2020	515,000	-	-	515,000
2021	530,000	-	-	530,000
2022-2026	1,505,000	-	-	1,505,000
2027-2031	1,100,000	-	-	1,100,000
2032-2036	1,035,000	-	-	1,035,000
	\$ 7,100,000	\$ 258,216	\$ 1,890,000	\$ 9,248,216

	Interest			Total Interest
	General Obligation Bonds	Equipment Loans	Temporary Improvement Notes	
2017	\$ 220,149	\$ 8,508	\$ 26,977	\$ 255,634
2018	178,453	5,087	20,683	204,223
2019	149,030	1,474	-	150,504
2020	133,650	-	-	133,650
2021	118,200	-	-	118,200
2022-2026	410,250	-	-	410,250
2027-2031	258,850	-	-	258,850
2032-2036	91,788	-	-	91,788
	<u>\$ 1,560,370</u>	<u>\$ 15,069</u>	<u>\$ 47,660</u>	<u>\$ 1,623,099</u>

NOTE 5—INTERFUND TRANSFERS

From Fund	To Fund	Authority	Amount
General	Equipment Reserve	K.S.A. 12-1,117	\$ 162,500
General	Building Reserve	K.S.A. 12-1,118	57,500
General	Special Projects	K.S.A. 12-101a	226
Sewer	Bond and Interest	K.S.A. 12-825d	521,656
Sewer	Equipment Reserve	K.S.A. 12-1,117	30,000
Sewer	Building Reserve	K.S.A. 12-1,118	30,000

NOTE 6—DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. 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 the Comprehensive Annual Financial Report, which can be found on KPERs website at www.kpers.org or 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 establishes the KPERs member-employee contribution rate at 6.00% of covered salary for KPERs 1, KPERs 2, or 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.

Kansas law provides that employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined annually based on the results of an annual actuarial valuation. The actuarially determined employer contribution rate (excluding the contribution rate for the Death and Disability program) and the statutory contribution rate for KPERS was 9.18% for the year ended December 31, 2016. Contributions to the pension plan from the City for KPERS were \$109,135 for the year ended December 31, 2016.

Net Pension Liability

At December 31, 2016, KPERS has determined the City's proportionate share of the collective net pension liability for KPERS was \$1,070,034. The net pension liability was measured as of June 30, 2016, and the total pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The City's share of the allocation is based on the ratio of the City's employer contributions, relative to the total employer and nonemployer contributions for the plan groups the City participates in. Because the regulatory basis of accounting under KMAAG does not recognize long-term debt, this liability is not reported in the financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described in the first paragraph above.

NOTE 7—OTHER LONG-TERM LIABILITIES

Compensated Absences

Vacation time is earned and vested and must be used within the employees anniversary date. Policies prohibit payment of vacation time in lieu of time off and all accumulated vacation pay is payable upon employment termination. The sick leave policy for the City permits employees to accumulate a maximum of 90 days sick leave. Policy prohibits payment of unused sick pay upon termination by the City.

NOTE 8—RISK MANAGEMENT

The City is subject to certain risks such as torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from third parties. There have been no significant reductions in insurance coverage from the prior year and there have been no settled claims in excess of insurance coverage for the prior three years.

The City self-insures certain risks related to employee health care costs. Total exposure is managed with aggregate limits on the total liability the City can incur in any given year. The City funds the liability based on actuarial estimated contributions and such additional amounts required to pay claims as incurred.

NOTE 9—CONCENTRATIONS

A substantial portion of the City's water and sewer sales are to one customer. During 2016, water and sewer sales to the customer were 56.00% and 62.00%, respectively.

NOTE 10—CAPITAL PROJECTS

At year-end, capital project authorizations with approved change orders compared with expenditures from inception are as follows:

Project	Project Authorization	Expenditures through 12/31/16	City Share
Frontier Commerce Park	\$ 1,321,900	\$ 427,710	Minimal
Morton Salt - Waterline	319,500	319,500	Minimal

The City's projects above will be funded by general obligation bonds and special assessments.

NOTE 11—COMMITMENTS AND CONTINGENCIES

Subject to a certain lease agreement, the City is contingently liable for lease payments of \$3,513 per year through 2021, if certain countywide funding for the payments is not available.

The City acquired title to a grain elevator in 2014 and has not decided if the structure will be demolished or left standing. Potential costs associated with the elevator have not been reflected in the financial statement.

NOTE 12—SUBSEQUENT EVENTS

On January 17, 2017, the City approved the purchase of an irrigation pivot for \$96,150 to be financed by a bank note.

On June 28, 2017, the City approved the purchase of an irrigation pivot for \$76,550 to replace a pivot that received storm damage; the purchase price was offset by insurance proceeds of \$38,000.

On July 3, 2017, the City accepted a bid of \$974,879 for street improvements at Frontier Commerce Park.

On July 17, 2017, the City approved a resolution authorizing the issuance of \$2,535,000 General Obligation Temporary Notes, Series 2017 for water supply improvements and street improvements.

On July 17, 2017, the City accepted a bid of \$60,915 for a waterline extension project.

On August 21, 2017 the City approved a resolution authorizing offering for sale \$565,000 General Obligation Bonds, Series 2017.

CITY OF SOUTH HUTCHINSON, KANSAS

SUMMARY OF EXPENDITURES - REGULATORY BASIS (ACTUAL AND BUDGET)
 (BUDGETED FUNDS ONLY)
 For Year Ended December 31, 2016

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUND	\$ 2,799,313	\$ -	\$ 2,799,313	\$ 2,443,909	\$ (355,404)
SPECIAL PURPOSE FUNDS					
Flood Control	30,000	-	30,000	23,027	(6,973)
Employee Benefits	90,000	-	90,000	55,357	(34,643)
Special Highway	175,000	-	175,000	122,253	(52,747)
Convention and Tourism	100,000	-	100,000	58,675	(41,325)
Special Parks	3,100	-	3,100	-	(3,100)
Street/Economic Development	213,000	-	213,000	89,852	(123,148)
Diversion	13,335	-	13,335	350	(12,985)
BOND AND INTEREST FUND					
Bond and Interest	1,200,963	-	1,200,963	1,082,860	(118,103)
BUSINESS FUNDS					
Water	749,300	-	749,300	613,825	(135,475)
Sewer	1,631,000	-	1,631,000	1,437,577	(193,423)

CITY OF SOUTH HUTCHINSON, KANSAS

GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
 Page 1 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Taxes			
Ad valorem property tax	\$ 419,846	\$ 455,573	\$ (35,727)
Delinquent tax	34,647	21,000	13,647
Motor vehicle tax	54,293	59,345	(5,052)
Recreational vehicle tax	-	1,410	(1,410)
16/20M vehicle tax	-	1,120	(1,120)
Commercial vehicle registration fees	-	22,470	(22,470)
Watercraft tax	-	260	(260)
In lieu of tax	-	2,400	(2,400)
County sales tax	362,623	350,000	12,623
Local sales tax	208,663	200,000	8,663
Liquor tax	124	266	(142)
	<u>1,080,196</u>	<u>1,113,844</u>	<u>(33,648)</u>
Licenses, Fees, and Permits			
Utility franchise tax	577,777	600,000	(22,223)
Refuse	109,075	105,000	4,075
Park fees	-	100,000	(100,000)
Permits and inspections	27,888	10,000	17,888
	<u>714,740</u>	<u>815,000</u>	<u>(100,260)</u>
Fines, Forfeitures, and Penalties			
	<u>98,147</u>	<u>120,000</u>	<u>(21,853)</u>
Interest on Idle Funds			
	<u>3,250</u>	<u>1,400</u>	<u>1,850</u>
Other Receipts			
Miscellaneous	36,195	40,000	(3,805)
Reimbursed expense	37,755	30,000	7,755
	<u>73,950</u>	<u>70,000</u>	<u>3,950</u>
TOTAL RECEIPTS	<u>1,970,283</u>	<u>\$ 2,120,244</u>	<u>\$ (149,961)</u>

CITY OF SOUTH HUTCHINSON, KANSAS

GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 2 of 16

	2016		Variance Over (Under)
	Actual	Budget	
EXPENDITURES			
General Administration			
Personal services	\$ 126,621	\$ 160,105	\$ (33,484)
Contractual services	65,792	51,500	14,292
Commodities	9,875	20,000	(10,125)
Capital outlay	3,505	1,000	2,505
Transfer to:			
Building Reserve	8,000	8,000	-
Equipment Reserve	10,000	10,000	-
Total General Administration	<u>223,793</u>	<u>250,605</u>	<u>(26,812)</u>
Police			
Personal services	600,165	655,700	(55,535)
Contractual services	98,887	108,225	(9,338)
Commodities	46,171	60,500	(14,329)
Capital outlay	6,119	9,000	(2,881)
Transfer to:			
Building Reserve	30,000	30,000	-
Equipment Reserve	30,000	30,000	-
Total Police	<u>811,342</u>	<u>893,425</u>	<u>(82,083)</u>
Fire			
Personal services	205,343	159,060	46,283
Contractual services	96,760	78,022	18,738
Commodities	15,740	16,370	(630)
Capital outlay	13,957	15,000	(1,043)
Transfer to:			
Building Reserve	3,000	3,000	-
Equipment Reserve	40,000	40,000	-
Total Fire	<u>374,800</u>	<u>311,452</u>	<u>63,348</u>
Street			
Personal services	227,415	216,556	10,859
Contractual services	41,754	51,900	(10,146)
Commodities	9,246	11,800	(2,554)
Capital outlay	-	200	(200)
Transfer to:			
Building Reserve	-	-	-
Equipment Reserve	10,000	10,000	-
Total Street	<u>288,415</u>	<u>290,456</u>	<u>(2,041)</u>

CITY OF SOUTH HUTCHINSON, KANSAS

GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
 Page 3 of 16

	2016		Variance Over (Under)
	Actual	Budget	
EXPENDITURES (Continued)			
Parks			
Personal services	\$ 10,000	\$ 10,000	\$ -
Contractual services	29,631	129,000	(99,369)
Commodities	8,094	15,150	(7,056)
Capital outlay	28,423	10,000	18,423
Transfer to:			
Building Reserve	15,000	15,000	-
Equipment Reserve	70,000	85,000	(15,000)
Total Parks	<u>161,148</u>	<u>264,150</u>	<u>(103,002)</u>
Street Lighting			
Contractual services	<u>72,103</u>	<u>65,000</u>	<u>7,103</u>
Code Enforcement			
Personal services	-	-	-
Contractual services	4,027	2,925	1,102
Commodities	3,449	4,450	(1,001)
Capital outlay	-	1,000	(1,000)
Transfer to - Equipment Reserve	2,500	2,500	-
Total Code Enforcement	<u>9,976</u>	<u>10,875</u>	<u>(899)</u>
Municipal Court			
Personal services	78,992	73,600	5,392
Contractual services	91,436	82,900	8,536
Commodities	2,390	2,000	390
Equipment	-	1,350	(1,350)
Transfer to - Building Reserve	1,500	1,500	-
Total Municipal Court	<u>174,318</u>	<u>161,350</u>	<u>12,968</u>
Nondepartmental			
Refuse	101,213	100,000	1,213
Capital improvements	216,689	427,000	(210,311)
Miscellaneous commodities	7,781	10,000	(2,219)
Miscellaneous contractual services	-	10,000	(10,000)
Wellness activities	2,105	5,000	(2,895)
Transfer to - Special Projects	226	-	226
Total Nondepartmental	<u>328,014</u>	<u>552,000</u>	<u>(223,986)</u>
TOTAL EXPENDITURES	<u>2,443,909</u>	<u>\$ 2,799,313</u>	<u>\$ (355,404)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(473,626)		
UNENCUMBERED CASH, BEGINNING	<u>678,155</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 204,529</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

FLOOD CONTROL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 4 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Ad valorem property tax	\$ 23,245	\$ 23,873	\$ (628)
Delinquent tax	356	2,000	(1,644)
Motor vehicle tax	2,190	2,408	(218)
Recreational vehicle tax	-	57	(57)
16/20M vehicle tax	-	45	(45)
Commercial vehicle registration fees	-	912	(912)
Watercraft tax	-	11	(11)
In lieu of tax	-	25	(25)
Reimbursed expense	-	-	-
TOTAL RECEIPTS	25,791	\$ 29,331	\$ (3,540)
EXPENDITURES			
Contractual services	23,027	\$ 30,000	\$ (6,973)
RECEIPTS OVER (UNDER) EXPENDITURES	2,764		
UNENCUMBERED CASH, BEGINNING	5,945		
UNENCUMBERED CASH, ENDING	\$ 8,709		

CITY OF SOUTH HUTCHINSON, KANSAS

EMPLOYEE BENEFITS FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
 Page 5 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Ad valorem property tax	\$ 76,671	\$ 78,781	\$ (2,110)
Delinquent tax	2,989	700	2,289
Motor vehicle tax	6,695	7,344	(649)
Recreational vehicle tax	-	174	(174)
16/20M vehicle tax	-	139	(139)
Commercial vehicle registration fees	-	2,781	(2,781)
Watercraft tax	-	32	(32)
In lieu of tax	-	150	(150)
Reimbursed expense	-	-	-
TOTAL RECEIPTS	<u>86,355</u>	<u>\$ 90,101</u>	<u>\$ (3,746)</u>
EXPENDITURES			
Workers' compensation	49,589	\$ 85,000	\$ (35,411)
Disability insurance	5,768	5,000	768
TOTAL EXPENDITURES	<u>55,357</u>	<u>\$ 90,000</u>	<u>\$ (34,643)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	30,998		
UNENCUMBERED CASH, BEGINNING	<u>1,623</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 32,621</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

SPECIAL HIGHWAY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 6 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
State payments	\$ 67,668	\$ 64,640	\$ 3,028
County payments	9,950	8,740	1,210
Reimbursed expense	204	4,000	(3,796)
	77,822	\$ 77,380	\$ 442
TOTAL RECEIPTS			
EXPENDITURES			
Contractual services	27,500	\$ 90,000	\$ (62,500)
Commodities	94,753	85,000	9,753
	122,253	\$ 175,000	\$ (52,747)
TOTAL EXPENDITURES			
RECEIPTS OVER (UNDER) EXPENDITURES	(44,431)		
UNENCUMBERED CASH, BEGINNING	106,741		
UNENCUMBERED CASH, ENDING	\$ 62,310		

CITY OF SOUTH HUTCHINSON, KANSAS

CONVENTION AND TOURISM FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 7 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Guest tax	\$ 58,675	<u>\$ 100,000</u>	<u>\$ (41,325)</u>
EXPENDITURES			
Contractual services	<u>58,675</u>	<u>\$ 100,000</u>	<u>\$ (41,325)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	-		
UNENCUMBERED CASH, BEGINNING	<u>-</u>		
UNENCUMBERED CASH, ENDING	<u>\$ -</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

SPECIAL PARKS FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 8 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Alcohol tax	\$ 124	<u>\$ 250</u>	<u>\$ (126)</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>\$ 3,100</u>	<u>\$ (3,100)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	124		
UNENCUMBERED CASH, BEGINNING	<u>3,256</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 3,380</u>		

CITY OF SOUTH HUTCHINSON, KANSAS
 STREET/ECONOMIC DEVELOPMENT - SALES TAX FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 9 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Sales tax	\$ 104,331	\$ 100,000	\$ 4,331
Reimbursed expense	-	3,000	(3,000)
TOTAL RECEIPTS	<u>104,331</u>	<u>\$ 103,000</u>	<u>\$ 1,331</u>
EXPENDITURES			
Contractual services	38,341	\$ 20,000	\$ 18,341
Commodities	762	10,000	(9,238)
Capital outlay	50,749	183,000	(132,251)
TOTAL EXPENDITURES	<u>89,852</u>	<u>\$ 213,000</u>	<u>\$ (123,148)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	14,479		
UNENCUMBERED CASH, BEGINNING	<u>182,514</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 196,993</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

DIVERSION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 10 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Fees and miscellaneous	\$ 3,435	\$ 4,000	\$ (565)
EXPENDITURES			
Contractual services	350	\$ 3,435	\$ (3,085)
Commodities	-	9,000	(9,000)
Capital outlay	-	900	(900)
TOTAL EXPENDITURES	350	\$ 13,335	\$ (12,985)
RECEIPTS OVER (UNDER) EXPENDITURES	3,085		
UNENCUMBERED CASH, BEGINNING	9,108		
UNENCUMBERED CASH, ENDING	\$ 12,193		

CITY OF SOUTH HUTCHINSON, KANSAS

BOND AND INTEREST FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
Page 11 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Ad valorem property tax	\$ 375,339	\$ 385,634	\$ (10,295)
Delinquent tax	4,051	4,000	51
Motor vehicle tax	33,253	36,416	(3,163)
Recreational vehicle tax	-	865	(865)
16/20M vehicle tax	-	687	(687)
Commercial vehicle registration fees	-	13,788	(13,788)
Watercraft tax	-	159	(159)
In lieu of tax	-	1,000	(1,000)
Special assessments	260,972	231,486	29,486
Miscellaneous	7,163	-	7,163
Transfer from:			
General Fund	-	-	-
Sewer Fund	521,656	521,656	-
	<u>1,202,434</u>	<u>\$ 1,195,691</u>	<u>\$ 6,743</u>
TOTAL RECEIPTS			
EXPENDITURES			
Bond principal	933,000	\$ 1,050,000	\$ (117,000)
Interest coupons	149,860	150,963	(1,103)
	<u>1,082,860</u>	<u>\$ 1,200,963</u>	<u>\$ (118,103)</u>
TOTAL EXPENDITURES			
RECEIPTS OVER (UNDER) EXPENDITURES	119,574		
UNENCUMBERED CASH, BEGINNING	<u>62,163</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 181,737</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

WATER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
 Page 12 of 16

	2016		Variance Over (Under)
	<u>Actual</u>	<u>Budget</u>	
RECEIPTS			
Charges for service	\$ 457,525	\$ 463,000	\$ (5,475)
Reimbursed expense	136,987	18,000	118,987
Interest income	1,203	500	703
Miscellaneous	344	-	344
	<u>596,059</u>	<u>\$ 481,500</u>	<u>\$ 114,559</u>
TOTAL RECEIPTS			
EXPENDITURES			
Personal services	275,355	\$ 325,300	\$ (49,945)
Contractual services	122,677	71,500	51,177
Commodities	46,990	53,500	(6,510)
Capital outlay	125,250	259,000	(133,750)
Sales tax	43,553	40,000	3,553
	<u>613,825</u>	<u>\$ 749,300</u>	<u>\$ (135,475)</u>
TOTAL EXPENDITURES			
RECEIPTS OVER (UNDER) EXPENDITURES	(17,766)		
ENCUMBERED CASH, BEGINNING	<u>239,857</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 222,091</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

SEWER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For Year Ended December 31, 2016

Schedule 2
 Page 13 of 16

	2016		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Charges for service	\$ 1,064,411	\$ 1,200,000	\$ (135,589)
Permits and inspections	-	3,500	(3,500)
Reimbursed expense	3,655	5,000	(1,345)
Interest income	1,191	500	691
Miscellaneous	1,741	-	1,741
TOTAL RECEIPTS	1,070,998	\$ 1,209,000	\$ (138,002)
EXPENDITURES			
Operations			
Personal services	371,709	\$ 393,000	\$ (21,291)
Contractual services	267,266	183,000	84,266
Commodities	55,110	55,000	110
Capital outlay	161,836	418,344	(256,508)
Transfer to:			
Bond and Interest	521,656	521,656	-
Building Reserve	30,000	30,000	-
Equipment Reserve	30,000	30,000	-
TOTAL EXPENDITURES	1,437,577	\$ 1,631,000	\$ (193,423)
RECEIPTS OVER (UNDER) EXPENDITURES	(366,579)		
UNENCUMBERED CASH, BEGINNING	610,833		
UNENCUMBERED CASH, ENDING	\$ 244,254		

CITY OF SOUTH HUTCHINSON, KANSAS

BUSINESS NONBUDGETED FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)
 For Year Ended December 31, 2016

Schedule 2
 Page 14 of 16

	Sewer System Replacement	Water Reserve
RECEIPTS		
Reimbursed expense	\$ -	\$ -
Operating transfers in	-	-
	-	-
TOTAL RECEIPTS	-	-
EXPENDITURES		
Contractual services	54,570	14,818
Capital outlay	141,365	99,378
	195,935	114,196
TOTAL EXPENDITURES	195,935	114,196
RECEIPTS OVER (UNDER) EXPENDITURES	(195,935)	(114,196)
UNENCUMBERED CASH, BEGINNING	246,435	167,119
UNENCUMBERED CASH, ENDING	\$ 50,500	\$ 52,923

CITY OF SOUTH HUTCHINSON, KANSAS

SPECIAL PURPOSE NONBUDGETED FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For Year Ended December 31, 2016

	ASAP	D.A.R.E.	Donations	Community Center	Special Projects	Reno County Veterans Memorial	Health Insurance	Building Reserve	Equipment Reserve	Special Law Enforcement
RECEIPTS										
Donations	\$ -	\$ -	\$ 6,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursed expense	-	-	-	-	-	-	-	-	18,502	-
Interest income	-	-	-	-	-	-	-	-	869	1
Miscellaneous	18,247	110	-	2,843	5,224	-	75,819	54,856	15,000	-
Operating transfers in	-	-	-	-	226	-	-	87,500	192,500	-
TOTAL RECEIPTS	18,247	110	6,720	2,843	5,450	-	75,819	142,356	226,871	1
EXPENDITURES										
Personal services	-	-	-	-	7,304	-	-	-	-	-
Contractual services	17,406	-	6,069	-	5,187	-	-	-	-	-
Commodities	-	-	-	-	17,020	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	84,173	-	-	-
Capital outlay	-	-	-	-	-	-	-	165,872	365,441	-
Miscellaneous	-	-	-	-	-	9,708	-	-	-	-
TOTAL EXPENDITURES	17,406	-	6,069	-	29,511	9,708	84,173	165,872	365,441	-
RECEIPTS OVER (UNDER) EXPENDITURES	841	110	651	2,843	(24,061)	(9,708)	(8,354)	(23,516)	(138,570)	1
UNENCUMBERED CASH, BEGINNING	26,683	965	6,902	-	42,213	9,708	180,616	322,154	20,276	2,206
UNENCUMBERED CASH, ENDING	\$ 27,524	\$ 1,075	\$ 7,553	\$ 2,843	\$ 18,152	\$ -	\$ 172,262	\$ 298,638	\$ (118,294)	\$ 2,207

CITY OF SOUTH HUTCHINSON, KANSAS
 CAPITAL PROJECTS NONBUDGETED FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For Year Ended December 31, 2016

	Poplar Street	Meadow Lane	Main Street Improvement	Water System	Prairie Ridge II Improvement	Maintenance Improvement	Street Improvements	Waterline	Frontier Commerce Park	CDBG	Morton Salt Waterline	Totals
RECEIPTS												
Bond proceeds	\$ 3,026	\$ -	\$ -	\$ -	\$ -	\$ 27,875	\$ 111,658	\$ 55,247	\$ -	\$ -	\$ 319,500	\$ 517,106
Grants	-	-	-	-	-	-	-	-	-	214,071	-	214,071
Reimbursed expense	-	-	-	-	-	-	-	-	-	209,070	-	209,070
TOTAL RECEIPTS	3,026	-	-	-	-	27,875	111,658	55,247	-	423,141	319,500	940,247
EXPENDITURES												
Improvements	8,087	31,831	21,349	35,878	11,620 (75,375)	126 37,530	146,930	132,249	386,954 6,818	394,851	319,500	1,113,051
Debt service costs	8,087	31,831	21,349	35,878	(63,755)	37,656	146,930	132,249	393,772	394,851	319,500	1,458,348
TOTAL EXPENDITURES	(5,061)	(31,831)	(21,349)	(35,878)	63,755	(9,981)	(35,272)	(77,002)	(393,772)	28,290	-	(518,101)
RECEIPTS OVER (UNDER) EXPENDITURES	8,087	63,662	21,349	35,878	(63,755)	37,856	146,930	132,249	393,772	(28,290)	319,500	1,458,348
UNENCUMBERED CASH, BEGINNING	5,061	31,831	21,349	35,878	(63,755)	9,981	35,272	77,002	1,234,786	(28,290)	-	1,359,115
UNENCUMBERED CASH, ENDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 841,014	\$ -	\$ -	\$ 841,014