

CITY OF HESSTON, KANSAS

DECEMBER 31, 2017

CITY OF HESSTON, KANSAS

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December 31, 2017

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## INDEPENDENT AUDITORS' REPORT

### Mayor and City Council City of Hesston, Kansas

We have audited the accompanying regulatory basis summary statement of receipts, expenditures, and unencumbered cash of City of Hesston, Kansas (the City) as of and for the year ended December 31, 2017, 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 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 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, 2017, 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, 2017, 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.

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, the individual fund schedules of receipts and expenditures – regulatory basis – actual and budget, and the schedule of receipts and expenditures – related municipal entity (Schedules 1 through 3, 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 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  
June 8, 2018

## CITY OF HESSTON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -  
REGULATORY BASIS  
For Year Ended December 31, 2017

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	\$ 937,779	\$ 2,256,135	\$ 2,197,404	\$ 996,510	\$ 6,260	\$ 1,002,770
SPECIAL PURPOSE FUND						
Library	3,591	366,582	369,173	1,000	-	1,000
Special Highway	298,679	101,527	83,578	316,628	-	316,628
Emergency Services	115,276	437,326	433,498	119,104	308	119,412
Fire Equipment	166,824	109,380	-	276,204	-	276,204
Community Service Program	49,270	23,447	18,119	54,598	-	54,598
Economic Development	72,336	-	11,470	60,866	-	60,866
Special Parks	1,680	401	-	2,081	-	2,081
Transient Guest Tax	-	35,535	35,535	-	-	-
Special Law Enforcement	793	8,009	507	8,295	-	8,295
Revolving Loan	97,798	41,759	-	139,557	-	139,557
Public Building Commission	65,000	68,115	64,152	68,963	-	68,963
Library Maintenance	22,757	-	29	22,728	-	22,728
Capital Improvement	1,245,520	601,375	296,035	1,550,860	-	1,550,860
Equipment Reserve	784,345	245,489	214,008	815,826	-	815,826
BOND AND INTEREST FUND						
Bond and Interest	179,815	600,281	529,098	250,998	-	250,998
CAPITAL PROJECTS	105,472	64,960	157,500	12,932	88	13,020
BUSINESS FUNDS						
Utilities	2,485,115	3,415,551	3,233,081	2,667,585	44,119	2,711,704
Utility Deposits	-	-	-	-	59,243	59,243
Utility Maintenance Reserve	1,421,970	76,251	178,242	1,319,979	-	1,319,979
Golf Course	87,697	583,559	572,160	99,096	13,931	113,027
Golf Course Maintenance Reserve	69,921	13,000	11,028	71,893	-	71,893
TOTAL PRIMARY GOVERNMENT	8,211,638	9,048,682	8,404,617	8,855,703	123,949	8,979,652
RELATED MUNICIPAL ENTITY						
Hesston Public Library	81,670	252,309	250,645	83,334	-	83,334
Hesston Land Bank	-	25,000	7,553	17,447	-	17,447
TOTAL REPORTING ENTITY	<u>\$ 8,293,308</u>	<u>\$ 9,325,991</u>	<u>\$ 8,662,815</u>	<u>\$ 8,956,484</u>	<u>\$ 123,949</u>	<u>\$ 9,080,433</u>

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

## CITY OF HESSTON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -  
REGULATORY BASIS  
For Year Ended December 31, 2017

Page 2 of 2

## COMPOSITION OF CASH

Checking accounts	
Citizens State Bank, Hesston, Kansas	\$ 8,996,239
Petty cash	860
Related municipal entity	
Hesston Public Library	<u>83,334</u>
TOTAL COMPOSITION OF CASH	<u>\$ 9,080,433</u>

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

CITY OF HESSTON, KANSAS  
NOTES TO THE FINANCIAL STATEMENT  
December 31, 2017

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Hesston, Kansas (the City), is a municipal corporation governed by an elected mayor and five-member council. This financial statement presents the City of Hesston (the municipality) and its related municipal entities. The related municipal entities discussed below are included in the City's reporting entity because of their operational or financial relationship with the City:

Related Municipal Entities

The Hesston Public Library is governed by a board, all appointees of which are approved by the City Mayor. The library is not a separate taxing entity under Kansas statutes, and the City levies taxes for the library operation, which represents a significant portion of its total revenues.

The Mayor and City Council function as the board of trustees of the Hesston Land Bank. The Land Bank is authorized to acquire, manage, and sell real property to provide for the effective reutilization of the property. The City may advance operating funds to the Land Bank for its operating expenses and may also dissolve the Land Bank.

Fund Accounting

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

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 2017:

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 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 municipality to use the regulatory basis of accounting.

### Interest Income

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

### 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.

### 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.

### Related Party Transactions

A Council member is an owner of an insurance agency that provides insurance to the City for property, liability, and workers' compensation. Premiums for this insurance coverage are on terms equivalent to those that prevail in arm's-length transactions.

### 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 specific statute. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in adoption of the legal annual operating budget:

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



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. There were no such amended budgets prepared for the year ended December 31, 2017.

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 regulatory basis of accounting, in which regulatory receipts 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 Equipment Reserve Fund, Capital Improvement Fund, Building and Maintenance Reserve Funds, Revolving Loan Fund, Special Law Enforcement Fund, Public Building Commission Fund, and Capital Projects Funds.

Spending in funds which are not subject to the legal annual operating budget requirement, is maintained by the review and internal appropriation process established by management.

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—DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is used by all funds. Each fund's portion of this pool is displayed on the summary statement of receipts, expenditures, and unencumbered cash. The cash balances of certain funds are restricted as to their use.

K.S.A. 9-1401 established 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, 2017.

### Deposits

At December 31, 2017, the carrying amount of the City's deposits was \$8,996,239. The bank balance was \$8,959,761. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining \$8,709,761 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

At December 31, 2017, the carrying amount of the related municipal entity's deposits, including certificates of deposit, was \$83,334. The bank balance was \$84,595, which was covered by FDIC insurance. The bank balance was held by one bank resulting in a concentration of credit risk.

### NOTE 3—LONG-TERM DEBT

Terms for long-term debt for the City at December 31, 2017, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds and Public Building Commission Revenue Bonds				
Series 2009	3.00% to 4.85%	11/15/09	\$ 1,621,000	08/01/30
Series 2013	1.60% to 2.35%	02/15/13	1,875,000	08/01/26
Series 2014A	2.00% to 3.00%	07/01/14	2,180,000	09/01/26
Series 2016	2.00% to 3.00%	01/26/16	1,745,000	10/01/36
Public Building Commission				
Series 2010	1.50% to 4.75%	03/01/10	855,000	09/01/30
Capital Leases				
Land	5.15%	09/01/14	158,000	09/01/24
Golf carts	2.95%	02/12/16	239,200	02/15/21
Golf turf maintenance equipment	3.40%	12/01/16	197,100	12/01/22
KDHE Loan				
KWPCRF project #C20 1960 01	2.16%	03/05/13	3,327,705	03/01/34

### Conduit Debt

The City has issued Industrial Revenue Bonds not directly obligated by the City. The total amount outstanding at December 31, 2017, was \$183,144,606 for the Industrial Revenue Bonds. These bonds do not constitute an indebtedness or pledge of the faith and credit of the City.

Changes in long-term debt for the City for the year ended December 31, 2017, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>General Obligation and Revenue Bonds</b>					
Series 2009	\$ 1,330,000	\$ -	\$ 70,000	\$ 1,260,000	\$ 29,989
Series 2013	1,275,000	-	65,000	1,210,000	12,663
Series 2014A	1,975,000	-	180,000	1,795,000	46,912
Series 2016	1,745,000	-	50,000	1,695,000	74,533
Public Building Commission Series 2010	680,000	-	35,000	645,000	29,153
<b>Capital Leases</b>					
Land	133,095	-	13,832	119,263	6,676
Golf carts	201,789	-	46,195	155,594	5,332
Golf turf maintenance equipment	197,100	-	30,145	166,955	6,447
<b>KDHE Loan</b>					
KWPCRF project #C20 1960 01	2,752,124	-	126,588	2,625,536	58,766
<b>Total Bonded Indebtedness</b>	<b>\$ 10,289,108</b>	<b>\$ -</b>	<b>\$ 616,760</b>	<b>\$ 9,672,348</b>	<b>\$ 270,471</b>

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

	Principal			Interest			Total Principal and Interest
	G.O. and PBC Bonds	Capital Leases	KDHE Loan	G.O. and PBC Bonds	Capital Leases	KDHE Loan	
2018	\$ 500,000	\$ 93,308	\$ 129,337	\$ 195,181	\$ 15,319	\$ 56,017	\$ 989,162
2019	525,000	96,559	132,146	183,169	12,068	53,208	1,002,150
2020	535,000	99,916	135,015	170,263	8,711	50,338	999,243
2021	550,000	60,005	137,948	157,182	5,684	47,406	958,225
2022	560,000	53,516	140,943	143,981	3,585	44,411	946,436
2023-2027	2,585,000	38,508	751,980	479,779	2,509	174,789	4,032,565
2028-2032	1,040,000	-	837,256	142,411	-	89,513	2,109,180
2033-2036	310,000	-	360,911	23,550	-	9,797	704,258
	<b>\$ 6,605,000</b>	<b>\$ 441,812</b>	<b>\$ 2,625,536</b>	<b>\$ 1,495,516</b>	<b>\$ 47,876</b>	<b>\$ 525,479</b>	<b>\$ 11,741,219</b>

## NOTE 4—REVOLVING LOANS

The City has a revolving loan fund to loan money to local businesses. Balances of note receivables at year end are as follows:

Date of Loan	Company	Original Loan Amount	Interest Rate	Original Terms in Years	Balance Due at 12/31/17
2013	Weaver Grocers, LLC	\$ 120,000	3.00%	10 Years	\$ 86,755
2012	Skoops, LLC	56,800	3.00%	10 Years	30,051
2012	Ledford Hospitality	184,414	3.00%	10 Years	157,191
					<u>\$ 273,997</u>

## NOTE 5—INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund	To Fund	Statutory Authority	Amount
Utilities	Capital Improvement	K.S.A. 12-825d	\$ 550,000
Utilities	Golf	K.S.A. 12-825d	102,000
Utilities	Golf Maintenance Reserve	K.S.A. 12-825d	13,000
Utilities	Bond and Interest	City ordinance	85,000
Special Highway	Bond and Interest	Bond payment	25,000
Capital Improvement	Capital Projects	K.S.A. 12-1,118	26,420
General	Equipment Reserve	K.S.A. 12-1,117	160,000
General	Capital Improvement	K.S.A. 12-1,118	50,000
General	Public Building Commission	K.S.A. 12-1,118	68,115
Emergency Services	Equipment Reserve	K.S.A. 12-1,117	70,000
General	Land Bank	K.S.A. 12-5902	25,000

## NOTE 6—DEFERRED COMPENSATION PLAN

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. City contributions to the plan for 2017 were \$21,073.

## NOTE 7—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.

## NOTE 8—CONCENTRATIONS

Two customers account for approximately 38.50% of the City's Utilities Fund revenue.

## NOTE 9—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 its Comprehensive Annual Financial Report, which can be found on 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 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 8.46% for the year ended December 31, 2017. Contributions to the pension plan from the City for KPERs were \$155,894 for the year ended December 31, 2017.

### Net Pension Liability

At December 31, 2017, KPERs has determined the City's proportionate share of the collective net pension liability for KPERs was \$1,409,000. The net pension liability was measured as of June 30, 2017 and the total pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. 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 Kansas Municipal Audit and Accounting Guide (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](http://www.kpers.org) or can be obtained as described in the first paragraph above.

## NOTE 10—OTHER LONG-TERM LIABILITIES

### Compensated Absences

The City's policies regarding vacation and sick leave permit employees to accumulate a maximum of 20 days vacation and 120 days sick leave. Policies prohibit payment of vacation time in lieu of time off and all accumulated vacation pay is payable upon employment termination. Policy prohibits payment of unused sick pay upon termination by the City.

## NOTE 11—COMMITMENTS

### Neighborhood Revitalization Program

The City participates in a neighborhood revitalization program as allowed by K.S.A. 12-17,114 et seq. Under the program, participants are provided a rebate of ad valorem taxes paid based on the increase in assessed valuation attributable to improvements made by the taxpayer after being approved for participation in the neighborhood revitalization program. For the year ended December 31, 2017, the City's share of tax rebates totaled \$1,573.

### Litigation

The City may sometimes be a defendant in various legal actions pending or in process concerning personal injury, workers' compensation claims, property damage, or other matters. The ultimate liability that might result from the final resolution of these matters is not presently determinable. The financial statement does not include accruals or provisions for loss contingencies that may result from these proceedings.

## CITY OF HESSTON, KANSAS

SUMMARY OF EXPENDITURES - REGULATORY BASIS (ACTUAL AND BUDGET)  
 (BUDGETED FUNDS ONLY)  
 For Year Ended December 31, 2017

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General	\$ 3,279,017	\$ -	\$ 3,279,017	\$ 2,197,404	\$ (1,081,613)
Library	214,955	157,715	372,670	369,173	(3,497)
Special Highway	307,669	-	307,669	83,578	(224,091)
Emergency Services	489,698	-	489,698	433,498	(56,200)
Fire Equipment	282,270	-	282,270	-	(282,270)
Community Service Program	65,725	-	65,725	18,119	(47,606)
Economic Development	111,535	-	111,535	11,470	(100,065)
Special Parks	1,930	-	1,930	-	(1,930)
Transient Guest Tax	42,500	-	42,500	35,535	(6,965)
Bond and Interest	954,460	-	954,460	529,098	(425,362)
Utilities	6,326,024	3,354	6,329,378	3,233,081	(3,096,297)
Golf Course	688,534	1,502	690,036	572,160	(117,876)

## CITY OF HESSTON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

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	2017		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Taxes			
Ad valorem property tax	\$ 771,190	\$ 790,159	\$ (18,969)
Delinquent tax	4,283	5,000	(717)
Motor vehicle tax	104,039	94,796	9,243
Recreational vehicle tax	1,248	753	495
16/20M vehicle tax	171	243	(72)
Watercraft tax	-	408	(408)
Commercial vehicle registration fees	-	7,118	(7,118)
Sales tax	653,295	650,000	3,295
Alcohol tax	401	400	1
	<u>1,534,627</u>	<u>1,548,877</u>	<u>(14,250)</u>
Licenses, fees, and permits			
Utility franchise tax	402,144	410,000	(7,856)
Miscellaneous permits and licenses	27,399	16,500	10,899
	<u>429,543</u>	<u>426,500</u>	<u>3,043</u>
Other receipts			
Fines, forfeitures, and penalties	37,656	43,200	(5,544)
Lease revenues	69,000	62,155	6,845
In lieu of taxes	-	12,500	(12,500)
Interest on idle funds	77,669	3,500	74,169
Reimbursements	94,604	48,750	45,854
Grants	4,970	-	4,970
Miscellaneous	8,066	26,850	(18,784)
Operating transfers in	-	100,000	(100,000)
	<u>291,965</u>	<u>296,955</u>	<u>(4,990)</u>
<b>TOTAL RECEIPTS</b>	<u>2,256,135</u>	<u>\$ 2,272,332</u>	<u>\$ (16,197)</u>
<b>EXPENDITURES</b>			
General government			
General administration	156,278	\$ 137,387	\$ 18,891
Legal service and engineering	33,945	50,000	(16,055)
Audit	16,746	16,748	(2)
	<u>206,969</u>	<u>204,135</u>	<u>2,834</u>
Public safety			
Police	799,071	785,720	13,351
Fire	135,207	168,839	(33,632)
Municipal Court	41,375	42,900	(1,525)
	<u>975,653</u>	<u>997,459</u>	<u>(21,806)</u>



## CITY OF HESSTON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

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	2017		Variance Over (Under)
	Actual	Budget	
EXPENDITURES (CONTINUED)			
Highways and streets			
Streets	\$ 334,659	\$ 357,710	\$ (23,051)
Street lighting	66,891	57,000	9,891
Total highways and streets	<u>401,550</u>	<u>414,710</u>	<u>(13,160)</u>
Culture and recreation			
Park	237,607	245,375	(7,768)
Cemetery	114	1,000	(886)
Tree board	1,756	3,250	(1,494)
Employee functions	419	5,000	(4,581)
Total culture and recreation	<u>239,896</u>	<u>254,625</u>	<u>(14,729)</u>
Economic development			
Harvey County EDC	36,000	36,000	-
Community development	4,796	25,000	(20,204)
Chamber of Commerce	167	47,000	(46,833)
Restaurant building expense	-	10,500	(10,500)
Lease/purchase industrial park	29,258	20,510	8,748
Total economic development	<u>70,221</u>	<u>139,010</u>	<u>(68,789)</u>
Capital improvements	-	994,925	(994,925)
Operating transfers out	303,115	274,153	28,962
TOTAL EXPENDITURES	<u>2,197,404</u>	<u>\$ 3,279,017</u>	<u>\$ (1,081,613)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	58,731		
UNENCUMBERED CASH, BEGINNING	<u>937,779</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 996,510</u>		

## CITY OF HESSTON, KANSAS

LIBRARY FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 181,230	\$ 185,741	\$ (4,511)
Delinquent tax	1,079	1,100	(21)
Motor vehicle tax	26,201	23,872	2,329
Recreational vehicle tax	314	190	124
16/20M vehicle tax	43	62	(19)
Commercial vehicle registration fees	-	1,793	(1,793)
Watercraft tax	-	102	(102)
Reimbursements	157,715	-	157,715
	<u>366,582</u>	<u>\$ 212,860</u>	<u>\$ 153,722</u>
<b>EXPENDITURES</b>			
Appropriations to library board	211,615	\$ 214,955	\$ (3,340)
Payroll and insurance	157,558	-	157,558
	<u>369,173</u>	<u>214,955</u>	<u>154,218</u>
Adjustment for qualifying budget credit	-	157,715	(157,715)
	<u>369,173</u>	<u>\$ 372,670</u>	<u>\$ (3,497)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(2,591)		
UNENCUMBERED CASH, BEGINNING	<u>3,591</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 1,000</u>		

## CITY OF HESSTON, KANSAS

SPECIAL HIGHWAY FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)

For Year Ended December 31, 2017

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	2017		Variance Over (Under)
	<u>Actual</u>	<u>Budget</u>	
<b>RECEIPTS</b>			
State payments	\$ 101,527	\$ 96,910	\$ 4,617
Reimbursements	-	-	-
	<u>101,527</u>	<u>\$ 96,910</u>	<u>\$ 4,617</u>
<b>EXPENDITURES</b>			
Service contracts	-	\$ -	\$ -
Paving and materials	21,452	15,000	6,452
Street improvements	33,642	255,669	(222,027)
Sidewalk improvements	3,484	12,000	(8,516)
Operating transfers out	25,000	25,000	-
	<u>83,578</u>	<u>\$ 307,669</u>	<u>\$ (224,091)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	17,949		
UNENCUMBERED CASH, BEGINNING	<u>298,679</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 316,628</u>		

CITY OF HESSTON, KANSAS  
 EMERGENCY SERVICES FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Intergovernmental	\$ 129,257	\$ 120,000	\$ 9,257
Charges for services	251,503	205,000	46,503
Reimbursements	47,147	-	47,147
Grants	7,410	-	7,410
Miscellaneous	2,009	1,625	384
Operating transfers in	-	50,000	(50,000)
<b>TOTAL RECEIPTS</b>	<u>437,326</u>	<u>\$ 376,625</u>	<u>\$ 60,701</u>
<b>EXPENDITURES</b>			
Personal services	246,436	\$ 262,495	\$ (16,059)
Contractual services	39,166	45,200	(6,034)
Commodities	27,311	33,100	(5,789)
Capital outlay	1,432	108,903	(107,471)
Reimbursed expense	49,153	-	49,153
Operating transfers out	70,000	40,000	30,000
<b>TOTAL EXPENDITURES</b>	<u>433,498</u>	<u>\$ 489,698</u>	<u>\$ (56,200)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	3,828		
UNENCUMBERED CASH, BEGINNING	<u>115,276</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 119,104</u>		

## CITY OF HESSTON, KANSAS

FIRE EQUIPMENT FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

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	2017		Variance Over (Under)
	<u>Actual</u>	<u>Budget</u>	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 43,159	\$ 44,225	\$ (1,066)
Delinquent tax	257	350	(93)
Motor vehicle tax	6,240	5,686	554
Recreational vehicle tax	75	45	30
16/20M vehicle tax	10	15	(5)
Commercial vehicle registration fees	-	427	(427)
Watercraft tax	-	24	(24)
Service agreements	59,639	61,430	(1,791)
	<u>109,380</u>	<u>\$ 112,202</u>	<u>\$ (2,822)</u>
<b>TOTAL RECEIPTS</b>			
<b>EXPENDITURES</b>			
Capital expenditures	<u>-</u>	<u>\$ 282,270</u>	<u>\$ (282,270)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>			
	109,380		
<b>UNENCUMBERED CASH, BEGINNING</b>			
	<u>166,824</u>		
<b>UNENCUMBERED CASH, ENDING</b>			
	<u>\$ 276,204</u>		

CITY OF HESSTON, KANSAS  
 COMMUNITY SERVICE PROGRAM FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 19,650	\$ 19,749	\$ (99)
Delinquent tax	361	150	211
Motor vehicle tax	3,394	2,539	855
Recreational vehicle tax	37	20	17
16/20M vehicle tax	5	7	(2)
Commercial vehicle registration fees	-	191	(191)
Watercraft tax	-	11	(11)
<b>TOTAL RECEIPTS</b>	<b>23,447</b>	<b><u>\$ 22,667</u></b>	<b><u>\$ 780</u></b>
<b>EXPENDITURES</b>			
Community service grants	<u>18,119</u>	<u>\$ 65,725</u>	<u>\$ (47,606)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>5,328</b>		
<b>UNENCUMBERED CASH, BEGINNING</b>	<u>49,270</u>		
<b>UNENCUMBERED CASH, ENDING</b>	<u><u>\$ 54,598</u></u>		

CITY OF HESSTON, KANSAS  
 ECONOMIC DEVELOPMENT FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Operating transfers in	\$ -	\$ 50,000	\$ (50,000)
EXPENDITURES			
Contractual services	9,610	\$ 14,800	\$ (5,190)
Commodities	1,860	30,000	(28,140)
Capital outlay	-	66,735	(66,735)
TOTAL EXPENDITURES	<u>11,470</u>	<u>\$ 111,535</u>	<u>\$ (100,065)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(11,470)		
UNENCUMBERED CASH, BEGINNING	<u>72,336</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 60,866</u>		

## CITY OF HESSTON, KANSAS

SPECIAL PARKS FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

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	2017		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Alcohol tax	\$ 401	\$ <u>831</u>	\$ <u>(430)</u>
EXPENDITURES			
Capital outlay	<u>-</u>	\$ <u>1,930</u>	\$ <u>(1,930)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	401		
UNENCUMBERED CASH, BEGINNING	<u>1,680</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 2,081</u>		



CITY OF HESSTON, KANSAS  
 TRANSIENT GUEST TAX FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	(Under)
RECEIPTS			
Transient guest tax	\$ 35,535	\$ <u>42,500</u>	\$ <u>(6,965)</u>
EXPENDITURES			
Transient guest tax appropriations	<u>35,535</u>	\$ <u>42,500</u>	\$ <u>(6,965)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	-		
UNENCUMBERED CASH, BEGINNING	<u>-</u>		
UNENCUMBERED CASH, ENDING	<u>\$ -</u>		

## CITY OF HESSTON, KANSAS

BOND AND INTEREST FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)

For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 60,228	\$ 62,111	\$ (1,883)
Delinquent tax	114	1,000	(886)
Motor vehicle tax	8,155	7,986	169
Recreational vehicle tax	101	63	38
16/20M vehicle tax	14	21	(7)
Commercial vehicle registration fees	-	600	(600)
Watercraft tax	-	34	(34)
Special assessments	421,669	448,107	(26,438)
Operating transfers in	110,000	143,485	(33,485)
<b>TOTAL RECEIPTS</b>	<u>600,281</u>	<u>\$ 663,407</u>	<u>\$ (63,126)</u>
<b>EXPENDITURES</b>			
Bond principal	365,000	\$ 430,000	\$ (65,000)
Interest coupons	164,098	207,400	(43,302)
Cash basis reserve	-	317,060	(317,060)
<b>TOTAL EXPENDITURES</b>	<u>529,098</u>	<u>\$ 954,460</u>	<u>\$ (425,362)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	71,183		
<b>UNENCUMBERED CASH, BEGINNING</b>	<u>179,815</u>		
<b>UNENCUMBERED CASH, ENDING</b>	<u>\$ 250,998</u>		

## CITY OF HESSTON, KANSAS

UTILITIES FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	<u>Actual</u>	<u>Budget</u>	
<b>RECEIPTS</b>			
Charges for service	\$ 3,369,473	\$ 3,922,175	\$ (552,702)
Connection fees	5,295	5,000	295
Reimbursements	3,354	-	3,354
Miscellaneous	37,429	16,500	20,929
	<u>3,415,551</u>	<u>\$ 3,943,675</u>	<u>\$ (528,124)</u>
<b>TOTAL RECEIPTS</b>			
<b>EXPENDITURES</b>			
Personal services	762,515	\$ 809,778	\$ (47,263)
Contractual services	466,777	504,714	(37,937)
Commodities	1,045,050	1,596,750	(551,700)
Capital outlay	202,928	2,656,297	(2,453,369)
Reimbursed expense	5,811	-	5,811
Operating transfers out	750,000	758,485	(8,485)
	3,233,081	6,326,024	(3,092,943)
Adjustment for qualifying budget credit	-	3,354	(3,354)
	<u>3,233,081</u>	<u>\$ 6,329,378</u>	<u>\$ (3,096,297)</u>
<b>TOTAL EXPENDITURES</b>			
RECEIPTS OVER (UNDER) EXPENDITURES	182,470		
UNENCUMBERED CASH, BEGINNING	<u>2,485,115</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 2,667,585</u>		

## CITY OF HESSTON, KANSAS

GOLF COURSE FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2017

Schedule 2  
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	2017		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Golf fees	\$ 344,807	\$ 425,100	\$ (80,293)
Concessions and shop sales	132,496	119,400	13,096
Reimbursements	1,502	-	1,502
Miscellaneous	2,754	1,275	1,479
Transfers from other funds	102,000	95,000	7,000
<b>TOTAL RECEIPTS</b>	<b><u>583,559</u></b>	<b><u>\$ 640,775</u></b>	<b><u>\$ (57,216)</u></b>
<b>EXPENDITURES</b>			
Personal services	249,075	\$ 319,078	\$ (70,003)
Contractual services	78,056	130,749	(52,693)
Commodities	156,748	138,450	18,298
Capital outlay	88,281	100,257	(11,976)
Reimbursed expense	-	-	-
	<u>572,160</u>	<u>688,534</u>	<u>(116,374)</u>
Adjustment for qualifying budget credit	-	1,502	(1,502)
<b>TOTAL EXPENDITURES</b>	<b><u>572,160</u></b>	<b><u>\$ 690,036</u></b>	<b><u>\$ (117,876)</u></b>
RECEIPTS OVER (UNDER) EXPENDITURES	11,399		
UNENCUMBERED CASH, BEGINNING	<u>87,697</u>		
UNENCUMBERED CASH, ENDING	<u><u>\$ 99,096</u></u>		

CITY OF HESSTON, KANSAS  
SPECIAL PURPOSE NONBUDGETED FUNDS  
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
For Year Ended December 31, 2017

Schedule 2  
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	Special Law Enforcement	Revolving Loan	Public Building Commission	Library Maintenance	Capital Improvement	Equipment Reserve
RECEIPTS						
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Forfeitures	8,009	-	-	-	-	-
Reimbursements	-	-	-	-	1,375	-
Miscellaneous	-	-	-	-	-	15,489
Loan payments	-	41,759	-	-	-	-
Operating transfers in	-	-	68,115	-	600,000	230,000
<b>TOTAL RECEIPTS</b>	<b>8,009</b>	<b>41,759</b>	<b>68,115</b>	<b>-</b>	<b>601,375</b>	<b>245,489</b>
EXPENDITURES						
Contractual services	-	-	-	29	-	-
Capital outlay	507	-	-	-	269,615	214,008
Reimbursed expense	-	-	-	-	-	-
Loan advances	-	-	-	-	-	-
Debt service	-	-	64,152	-	-	-
Operating transfers out	-	-	-	-	26,420	-
<b>TOTAL EXPENDITURES</b>	<b>507</b>	<b>-</b>	<b>64,152</b>	<b>29</b>	<b>296,035</b>	<b>214,008</b>
RECEIPTS OVER (UNDER) EXPENDITURES	7,502	41,759	3,963	(29)	305,340	31,481
UNENCUMBERED CASH, BEGINNING	793	97,798	65,000	22,757	1,245,520	784,345
UNENCUMBERED CASH, ENDING	<u>\$ 8,295</u>	<u>\$ 139,557</u>	<u>\$ 68,963</u>	<u>\$ 22,728</u>	<u>\$ 1,550,860</u>	<u>\$ 815,826</u>

## CITY OF HESSTON, KANSAS

CAPITAL PROJECTS NONBUDGETED FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2017

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	<u>Windover II</u>	<u>Mobile Home Park</u>	<u>Total</u>
RECEIPTS	\$ 1,420	\$ 63,540	\$ 64,960
EXPENDITURES	-	157,500	157,500
RECEIPTS OVER (UNDER) EXPENDITURES	1,420	(93,960)	(92,540)
UNENCUMBERED CASH, BEGINNING	<u>(1,420)</u>	<u>106,892</u>	<u>105,472</u>
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ 12,932</u>	<u>\$ 12,932</u>

## CITY OF HESSTON, KANSAS

BUSINESS NONBUDGETED FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2017

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	<u>Utility Maintenance Reserve</u>	<u>Golf Course Maintenance Reserve</u>
RECEIPTS		
Reimbursements	\$ 67,151	\$ -
Miscellaneous	9,100	-
Operating transfers in	-	13,000
TOTAL RECEIPTS	<u>76,251</u>	<u>13,000</u>
EXPENDITURES		
Maintenance	103,875	6,670
Equipment	35,222	4,358
Reimbursements	39,145	-
TOTAL EXPENDITURES	<u>178,242</u>	<u>11,028</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(101,991)	1,972
UNENCUMBERED CASH, BEGINNING	<u>1,421,970</u>	<u>69,921</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 1,319,979</u></u>	<u><u>\$ 71,893</u></u>

## CITY OF HESSTON, KANSAS

HESSTON PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2017

	Schedule 3
	<u>Actual</u>
RECEIPTS	
City appropriations	\$ 207,810
SCKLS	22,745
Fines and donations	9,384
Grants	6,213
Miscellaneous	6,019
Interest	<u>138</u>
TOTAL RECEIPTS	<u>252,309</u>
EXPENDITURES	
Buildings	11,181
Books and collection	39,562
Operations	15,263
Payroll	152,434
Program	12,287
Technology	6,912
Utilities	12,223
Miscellaneous	<u>783</u>
TOTAL EXPENDITURES	<u>250,645</u>
RECEIPTS OVER (UNDER) EXPENDITURES	1,664
UNENCUMBERED CASH, BEGINNING	<u>81,670</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 83,334</u></u>



## CITY OF HESSTON, KANSAS

HESSTON LAND BANK - RELATED MUNICIPAL ENTITY  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2017

	Schedule 3 <u>Actual</u>
RECEIPTS	
City appropriations	<u>\$ 25,000</u>
EXPENDITURES	
Legal fees	441
Special assessments	<u>7,112</u>
TOTAL EXPENDITURES	<u>7,553</u>
RECEIPTS OVER (UNDER) EXPENDITURES	17,447
UNENCUMBERED CASH, BEGINNING	<u>-</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 17,447</u></u>