

CITY OF GARNETT, KANSAS

Independent Auditors' Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2018

CITY OF GARNETT, KANSAS
For the Year Ended December 31, 2018

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Commissioners
City of Garnett, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Garnett, Kansas, as of and for the year ended December 31, 2018 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 this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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 the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Garnett on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Garnett, Kansas as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated July 30, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2018 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to

the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2017, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

September 11, 2019
Chanute, Kansas

CITY OF GARNETT, KANSAS

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

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Cash Balance December 31, 2018
General Fund	\$ 501,384.41	\$ 1,705,663.60	\$ 1,795,857.24	\$ 411,190.77	\$ 5,282.79	\$ 416,473.56
Special Purpose Funds:						
Airport	17,980.52	102,368.28	112,626.54	7,722.26	466.83	8,189.09
Library	9,767.40	202,128.38	199,382.69	12,513.09	3,777.26	16,290.35
Parks	471.75	-	471.75	-	-	-
Recreation	14,572.20	-	14,572.20	-	-	-
Special Highway	27,981.10	230,098.95	160,947.92	97,132.13	-	97,132.13
Special Parks and Recreation	865.74	4,836.64	-	5,702.38	-	5,702.38
Public Safety	95,839.72	843,077.81	816,264.01	122,653.52	5,623.29	128,276.81
Capital Outlay Improvement	118,990.36	178,000.00	27,691.40	269,298.96	9,635.70	278,934.66
Equipment Reserve	-	402,750.00	359,580.71	43,169.29	4,042.28	47,211.57
Drug Seizure	3,197.17	5,041.00	2,442.10	5,796.07	-	5,796.07
Creative Arts Grant	6,630.62	-	-	6,630.62	-	6,630.62
Civic Building	2,036.84	-	2,036.84	-	-	-
Recreation Center	5,963.39	-	5,963.39	-	-	-
Tourism	19,190.43	26,480.42	12,781.49	32,889.36	-	32,889.36
Tax Refund Reserve	140,000.00	140,000.00	-	280,000.00	-	280,000.00
Tax Refund Litigation	50,000.00	50,000.00	-	100,000.00	-	100,000.00
Economic Development	17,683.75	34,467.34	32,238.77	19,912.32	51.20	19,963.52
Bond and Interest Funds:						
General Obligation Bond and Interest	54,162.96	669,248.51	644,401.96	79,009.51	-	79,009.51
Capital Projects Funds:						
Industrial Park Development	86,564.41	-	-	86,564.41	-	86,564.41
KDOT Project S.B. Turning Lane	(383,795.91)	398,045.91	14,250.00	-	-	-
Business Funds:						
Sanitation Utility	211,731.14	328,447.75	329,903.72	210,275.17	2,236.37	212,511.54
Electric Utility	1,887,519.30	3,123,746.25	3,169,943.96	1,841,321.59	94,185.98	1,935,507.57
Water Utility	1,495,284.19	1,372,052.31	1,145,361.68	1,721,974.82	3,899.23	1,725,874.05
Gas Utility	915,689.01	1,215,954.27	912,472.76	1,219,170.52	52,725.43	1,271,895.95
Wastewater Utility	300,000.00	649,804.11	619,199.19	330,604.92	606.12	331,211.04
Combined Utility GO Refunding Bond	204,000.00	-	204,000.00	-	-	-
Total Reporting Entity (Excluding Agency Funds)	\$ 5,803,710.50	\$ 11,682,211.53	\$ 10,582,390.32	\$ 6,903,531.71	\$ 182,532.48	\$ 7,086,064.19

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

CITY OF GARNETT, KANSAS

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

	<u>2018</u>
Total Cash to be accounted for:	<u>\$ 7,086,064.19</u>
Composition of Cash:	
Cash on Hand	\$ 2,771.00
Checking Accounts:	
Goppert State Service Bank.....	570,776.50
Patriots Bank - Utility Account	111,108.00
Patriots Bank - Municipal Court.....	200.00
Patriots Bank - Bond Account.....	900.00
Investments:	
Certificates of Deposit	7,500,000.00
Less:	
Housing Authority Cash Balances.....	<u>(959,662.17)</u>
Total Cash	7,226,093.33
Agency Funds Per Schedule 3	<u>(140,029.14)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 7,086,064.19</u>

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

CITY OF GARNETT, KANSAS

Notes to the Financial Statement
For the Year Ended December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Garnett, Kansas, (the City) is incorporated as a City of the second class, under the provisions of K.S.A. 13-101 *et seq.* The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Garnett, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from generally accepted accounting principles.

Financial Reporting Entity

The City of Garnett, Kansas (the City) is a municipal corporation governed by an elected three member commission. This financial statement presents the City of Garnett, Kansas.

Related Municipal Entity. A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Garnett Public Library - The City of Garnett Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate financial statements are available at the Library.

Garnett Housing Authority

The Housing Authority of the City of Garnett, Kansas operates the City's housing projects with a December 31st year end. The Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. A copy of the financial statements can be obtained from the Housing Authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Garnett, Kansas, for the year of 2018:

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

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

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

Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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

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

Basis of Presentation – Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality 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.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, or the State of Kansas Police and Fire Retirement System, both of which are a multi-employer state-wide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as cash receipts. In the financial statement and budget schedule comparisons presented in this report, reimbursements and refunds are recorded as cash receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property.

Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as cash receipts in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as cash receipts in the bond and interest fund. Further, state statutes require levying additional general ad valorem property taxes in the City bond and interest fund to finance delinquent special assessments receivable.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest, and business funds. Although directory rather than mandatory, the statutes provide for the following timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.
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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)

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. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 capital projects funds, trust funds, permanent funds, and the following special purpose funds:

- Parks Fund
- Recreation Fund
- Equipment Reserve Fund
- Drug Seizure Fund
- Creative Arts Grant Fund
- Civic Building Fund
- Recreation Center Fund
- Tax Refund Reserve Fund
- Tax Refund Litigation Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the City was in compliance with the cash basis and budget laws of Kansas.

3. DEPOSITS AND INVESTMENTS

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 branch or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the bank provides an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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 Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2018.

Deposits: At year-end, the City's carrying amount of deposits, including certificates of deposit and amounts from the Housing Authority was \$8,182,984.50 and the bank balance was \$8,624,473.84. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$970,755.53 was covered by FDIC insurance and \$7,653,718.31 was collateralized with pledged securities held by the pledging financial institutions' agents in the City's name.

4. CAPITAL LEASES

The City has entered into a capital lease agreement in order to finance the purchase of a 2018 Freightliner truck with a Heil 16 yard compactor. Payments are made annually including interest at 2.40%. Final maturity of the lease is September 1, 2026. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2019	\$ 14,853.64
2020	14,853.64
2021	14,853.64
2022	14,853.64
2023	14,853.64
2024-2026	<u>44,560.92</u>
	118,829.12
Less imputed interest	<u>(11,896.36)</u>
Net Present Value of Minimum	
Lease Payments	106,932.76
Less: Current Maturities	<u>(12,281.30)</u>
Long-Term Capital Lease Obligations	<u>\$ 94,651.46</u>

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Paid by Tax Levies:									
Series 2008-A	3.50-5.00%	February 1, 2008	\$ 1,190,000.00	October 1, 2023	\$ 385,000.00	-	\$ (100,000.00)	\$ 285,000.00	\$ 15,527.50
Series 2008-B	3.15-4.00%	February 1, 2008	875,000.00	October 1, 2020	270,000.00	-	(85,000.00)	185,000.00	10,630.00
Paid by Utility Receipts:									
Series 2012	2.00-2.50%	May 15, 2012	3,010,000.00	October 1, 2023	1,425,000.00	-	(260,000.00)	1,165,000.00	32,962.50
Series 2015	2.25-4.00%	December 10, 2015	645,000.00	October 1, 2035	590,000.00	-	(25,000.00)	565,000.00	19,750.00
Revenue Bonds									
Series 2006	5.00%	June 15, 2006	160,000.00	October 1, 2021	55,000.00	-	(55,000.00)	-	2,937.50
Senior Housing Revenue Bonds									
Series 2006	4.25-5.00%	March 15, 2006	2,395,000.00	October 1, 2028	1,000,000.00	-	(70,000.00)	930,000.00	51,512.50
Revolving Loans									
Kansas Public Water Supply 2587	3.63%	October 15, 2009	944,702.00	August 1, 2031	520,830.07	-	(29,137.88)	491,692.19	18,644.08
Capital Leases									
Groundmaster 5900 Mower	2.50%	May 15, 2015	27,020.00	May 21, 2018	9,232.62	-	(9,232.62)	-	245.15
2017 Trash Truck	2.40%	June 14, 2016	129,960.00	September 1, 2026	118,925.56	-	(11,992.80)	106,932.76	2,860.84
Total Contractual Indebtedness					\$ 4,373,988.25	-	\$ (645,363.30)	\$ 3,728,624.95	\$ 155,070.07

5. LONG-TERM DEBT (Continued)

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

Issue	2019	2020	2021	2022	2023	2024-2028	2029-2033	2034-2035	Total
Principal									
General Obligation Bonds									
Paid by Tax Levies:									
Series 2008-A	\$ 80,000.00	\$ 80,000.00	\$ 40,000.00	\$ 40,000.00	\$ 45,000.00	\$ -	\$ -	\$ -	\$ 285,000.00
Series 2008-B	90,000.00	95,000.00	-	-	-	-	-	-	185,000.00
Paid by Utility Receipts:									
Series 2012	265,000.00	265,000.00	275,000.00	285,000.00	75,000.00	-	-	-	1,165,000.00
Series 2015	25,000.00	25,000.00	30,000.00	30,000.00	30,000.00	165,000.00	180,000.00	80,000.00	565,000.00
Senior Housing Revenue Bonds									
Series 2006	75,000.00	75,000.00	80,000.00	85,000.00	90,000.00	525,000.00	-	-	930,000.00
Revolving Loans									
Kansas Public Water Supply 2587	30,205.18	31,311.58	32,458.50	33,647.44	34,879.92	194,526.17	134,663.40	-	491,692.19
Capital Leases									
2017 Trash Truck	12,281.30	12,576.73	12,879.28	13,189.10	13,506.37	42,499.98	-	-	106,932.76
Total Principal Payments	577,486.48	583,888.31	470,337.78	486,836.54	288,386.29	927,026.15	314,663.40	80,000.00	3,728,624.95
Interest									
General Obligation Bonds									
Paid by Tax Levies:									
Series 2008-A	\$ 11,627.50	\$ 8,507.50	\$ 5,187.50	\$ 3,527.50	\$ 1,867.50	\$ -	\$ -	\$ -	\$ 30,717.50
Series 2008-B	7,400.00	3,800.00	-	-	-	-	-	-	11,200.00
Paid by Utility Receipts:									
Series 2012	27,112.50	21,150.00	14,525.00	7,650.00	1,593.76	-	-	-	72,031.26
Series 2015	18,750.00	17,750.00	16,750.00	15,550.00	14,875.00	61,850.00	35,325.00	4,500.00	185,350.00
Senior Housing Revenue Bonds									
Series 2006	48,012.50	44,262.50	40,512.50	36,412.50	32,056.26	85,193.76	-	-	286,450.02
Revolving Loans									
Kansas Public Water Supply 2587	17,576.78	16,470.38	15,323.46	14,134.52	12,902.04	44,383.63	8,682.48	-	129,473.29
Capital Leases									
2017 Trash Truck	2,572.34	2,276.91	1,974.36	1,664.54	1,347.27	2,060.94	-	-	11,896.36
Total Interest Payments	133,051.62	114,217.29	94,272.82	78,939.06	64,641.83	193,488.33	44,007.48	4,500.00	727,118.43
Total Principal and Interest	\$ 710,538.10	\$ 698,105.60	\$ 564,610.60	\$ 565,775.60	\$ 353,028.12	\$ 1,120,514.48	\$ 358,670.88	\$ 84,500.00	\$ 4,455,743.38

6. OPERATING LEASES

As of December 31, 2018 the City has entered into an operating lease for a postage machine and copier. Rent expense for the year ended December 31, 2018, was \$3,530.88. Future minimum lease payments were as follows:

2019	\$ 3,309.45
2020	638.79

7. DEFINED BENEFIT PENSION PLAN

General Information about the 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. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 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, 2017. Effective January 1, 2017, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$228,936.33 for the year ended December 31, 2018.

Net Pension Liability

At December 31, 2018, The City's proportionate share of the collective net pension liability reported by KPERS was \$1,982,945.00. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this 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 above.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and Disability Other Post-Employment Benefits

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

Compensated Absences:

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation – All employees shall accrue vacation leave each pay period according to their position and years of service with the City. Employees can accrue up to 20 days of vacation if under 10 years of service and 30 days if over 10 years of service.

Full time employees:

Year of Service	Days per Year	Maximum Accrual
1-5 years	10	20
5-10 years	12	20
10-15 years	15	30
15 + years	18	30

Sick leave – All full time employees shall accrue paid sick leave at a rate of at least one eight hour day per month of service with a maximum accrual of 90 days.

Accumulated leave payout – All employees separating from City employment that have given and satisfactorily completed an appropriate notice will receive payment for all accumulated accrued and unused vacation and depending upon the employees length of service with the City and maximum accruals and a percentage of their accrued unused sick leave as follows:

- Full time employees with 0-10 full years of continuous service will receive 0 sick leave payout.
- Full time employees with 11-15 full years of continuous service will receive 10 days sick leave payout.
- Full time employees with 16+ full years of continuous service will receive 20 days sick leave payout,

The City determines a liability for compensated absences when the following conditions are met:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the City has estimated a liability for vacation pay, which has been earned, but not taken by City employees of \$127,736.41. The City has not accrued a liability for sick leave earned, but not taken, by City employees, as the amounts cannot be reasonably estimated at this time.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)*Other Post-Employment Benefits:*

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the Federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

10. OTHER LEASING ARRANGEMENTS

Simultaneously with the execution and delivery of the Series 2006 Bonds, the City of Garnett entered into a 23-year lease agreement with the Housing Authority whereby the City will lease the housing projects to the Housing Authority. Under the terms of the lease, the Housing Authority is required to make monthly rent payments to a bond trustee in amounts sufficient to pay Series 2006 bond principal and interest when due. The Housing Authority and the City of Garnett, Kansas also entered into an agreement whereby the City of Garnett, Kansas, subject to certain limitations, will pay to the bond trustee the monthly rent amounts to the extent not paid by the Housing Authority. An additional agreement provides that the Housing Authority will repay the City of Garnett, Kansas for any amounts it advances to the bond trustee. Additionally, the bonds are secured by the financed property, furnishings and equipment and by the City's annual appropriation pledge. The Series 2006 Bonds are recorded as a long-term capital lease of the Housing Authority.

11. INTERFUND TRANSFERS

Operating and residual transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Capital Outlay		
	Improvement	K.S.A. 12-1, 118	\$ 25,000.00
General	Equipment Reserve	K.S.A. 12-1, 117	17,750.00
General	Tax Refund Reserve	Ord. No. 4192	45,000.00
General	Tax Refund Litigation	Ord. No. 4192	15,000.00
Airport	Capital Outlay		
	Improvement	K.S.A. 12-1, 118	17,500.00
Airport	Equipment Reserve	K.S.A. 12-1, 117	2,500.00
Airport	Tax Refund Reserve	Ord. No. 4192	25,000.00
Airport	Tax Refund Litigation	Ord. No. 4192	10,000.00
Library	Capital Outlay		
	Improvement	K.S.A. 12-1, 118	23,000.00
Recreation	General	K.S.A. 79-2934	10,828.43

11. INTERFUND TRANSFERS (Continued)

Operating and residual transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
Public Safety	Capital Outlay Improvement	K.S.A. 12-1, 118	\$ 5,000.00
Public Safety	Equipment Reserve	K.S.A. 12-1, 117	35,000.00
Public Safety	Tax Refund Reserve	Ord. No. 4192	45,000.00
Public Safety	Tax Refund Litigation	Ord. No. 4192	15,000.00
General Obligation Bond and Interest	Tax Refund Reserve	Ord. No. 4192	25,000.00
General Obligation Bond and Interest	Tax Refund Litigation	Ord. No. 4192	10,000.00
Sanitation Utility	Capital Outlay Improvement	K.S.A. 12-1, 118	2,500.00
Sanitation Utility	Equipment Reserve	K.S.A. 12-1, 117	15,000.00
Electric Utility	Capital Outlay Improvement	K.S.A. 12-1, 118	50,000.00
Electric Utility	Equipment Reserve	K.S.A. 12-1, 117	240,000.00
Electric Utility	General	K.S.A. 12-825d	440,000.00
Electric Utility	General Obligation Bond and Interest	K.S.A. 12-825d	35,000.00
Electric Utility	Economic Development	K.S.A. 12-825d	20,000.00
Water Utility	Capital Outlay Improvement	K.S.A. 12-1, 118	30,000.00
Water Utility	Equipment Reserve	K.S.A. 12-1, 117	22,500.00
Water Utility	Public Safety	K.S.A. 12-825d	300,000.00
Water Utility	General Obligation Bond and Interest	K.S.A. 12-825d	127,500.00
Gas Utility	Capital Outlay Improvement	K.S.A. 12-1, 118	7,500.00
Gas Utility	Equipment Reserve	K.S.A. 12-1, 117	22,500.00
Gas Utility	Public Safety	K.S.A. 12-825d	200,000.00
Wastewater Utility	Capital Outlay Improvement	K.S.A. 12-1, 118	17,500.00
Wastewater Utility	Equipment Reserve	K.S.A. 12-1, 117	47,500.00
Wastewater Utility	General Obligation Bond and Interest	K.S.A. 12-825d	240,000.00

Residual transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
Parks	General	K.S.A. 79-2934	\$ 471.75
Civic Building	General	K.S.A. 79-2934	2,036.84
Recreation Center	General	K.S.A. 79-2934	5,963.39
Combined Utility GO Refunding Bond	Water Utility	K.S.A. 12-825d	204,000.00

12. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statement. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

CITY OF GARNETT, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2018

Funds	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	\$ 1,850,000.00	\$ 1,795,857.24	\$ (54,142.76)
Special Purpose Funds:			
Airport	120,000.00	112,626.54	(7,373.46)
Library	200,000.00	199,382.69	(617.31)
Special Highway	200,000.00	160,947.92	(39,052.08)
Special Parks & Recreation	5,000.00	-	(5,000.00)
Public Safety	900,000.00	816,264.01	(83,735.99)
Capital Outlay Improvement	185,000.00	27,691.40	(157,308.60)
Tourism	25,000.00	12,781.49	(12,218.51)
Economic Development	50,000.00	32,238.77	(17,761.23)
Bond and Interest Funds:			
General Obligation Bond and Interest	645,000.00	644,401.96	(598.04)
Business Funds:			
Sanitation Utility	380,000.00	329,903.72	(50,096.28)
Electric Utility	3,200,000.00	3,169,943.96	(30,056.04)
Water Utility	1,715,000.00	1,145,361.68	(569,638.32)
Gas Utility	1,250,000.00	912,472.76	(337,527.24)
Wastewater Utility	650,000.00	619,199.19	(30,800.81)

CITY OF GARNETT, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ -	\$ 332,457.29	\$ 344,920.00	\$ (12,462.71)
Delinquent Tax	-	12,026.48	-	12,026.48
Motor Vehicle Tax	-	41,415.15	38,476.00	2,939.15
Commercial Vehicle Tax	-	1,633.91	2,853.00	(1,219.09)
Recreational Vehicle Tax	-	627.94	595.00	32.94
16/20M Truck Tax	-	162.77	143.00	19.77
Watercraft Tax	-	186.31	163.00	23.31
Excise Tax	-	1.40	-	1.40
Special Assessments	-	2,875.00	-	2,875.00
Neighborhood Revitalization Rebate	-	(6,496.27)	(6,457.00)	(39.27)
Sales Tax	251,287.51	255,788.53	220,000.00	35,788.53
Franchise Taxes	145,615.19	136,856.23	127,500.00	9,356.23
Intergovernmental				
Local Alcoholic Liquor Tax	5,122.07	4,486.63	7,500.00	(3,013.37)
State Grants	-	26,571.00	-	26,571.00
Licenses and Permits				
Business Licenses, Permits & Fees	7,642.60	2,275.00	5,000.00	(2,725.00)
Non-Business Licenses, Permits & Fees	12,682.50	21,119.60	12,250.00	8,869.60
Camping Permits	-	19,007.62	15,000.00	4,007.62
Fines, Forfeitures and Penalties				
Municipal Court Fines	-	99,609.50	80,000.00	19,609.50
Charges for Services				
Cemetery	13,750.00	7,145.00	10,000.00	(2,855.00)
Recreational Center Membership	-	44,849.10	30,000.00	14,849.10
Recreational Fees	-	50,258.22	46,000.00	4,258.22
Concession Stand Sales	-	12,366.14	10,000.00	2,366.14
Use of Money and Property				
Interest Income	42,001.95	159,492.53	35,000.00	124,492.53
Recreation Center Rental Revenue	-	1,330.00	500.00	830.00
Town Hall Rental Revenue	-	5,232.50	2,500.00	2,732.50
Other Receipts				
Miscellaneous	25,852.94	15,085.61	25,000.00	(9,914.39)
Operating Transfers from				
Recreation Fund	-	10,828.43	-	10,828.43
Electric Utility Fund	-	440,000.00	480,000.00	(40,000.00)
Residual Transfer from:				
Parks Fund	-	471.75	-	471.75
Civic Building Fund	-	2,036.84	-	2,036.84
Recreation Center Fund	-	5,963.39	-	5,963.39
Total Receipts	503,954.76	1,705,663.60	\$ 1,486,943.00	\$ 218,720.60

CITY OF GARNETT, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures				
General Administrative Services				
Personal Services	\$ 82,681.66	\$ 542,056.50	\$ 591,250.00	\$ (49,193.50)
Contractual Services	46,910.02	67,688.52	49,000.00	18,688.52
Commodities	33,202.25	63,263.85	34,750.00	28,513.85
Capital Outlay	38,032.33	-	-	-
Community Development				
Personal Services	-	152,081.76	186,250.00	(34,168.24)
Contractual Services	-	3,517.43	2,000.00	1,517.43
Commodities	-	34,416.53	56,750.00	(22,333.47)
Fire				
Personal Services	39,099.38	-	-	-
Contractual Services	3,393.45	-	-	-
Commodities	4,413.86	-	-	-
Capital Outlay	30,524.94	-	-	-
Parks, Recreation, and Cemetery				
Personal Services	84,159.80	370,059.21	362,500.00	7,559.21
Contractual Services	-	45,322.48	42,500.00	2,822.48
Commodities	1,563.66	134,903.98	123,000.00	11,903.98
Capital Outlay	2,506.61	-	-	-
Lease Purchase - Mower	-	9,477.77	9,500.00	(22.23)
Street and Stormwater				
Personal Services	64,621.69	222,992.65	211,500.00	11,492.65
Contractual Services	5,227.71	4,766.21	26,000.00	(21,233.79)
Commodities	36,612.88	42,560.35	55,000.00	(12,439.65)
Capital Outlay	11,075.51	-	-	-
Animal Control				
Personal Services	14,103.96	-	-	-
Contractual Services	6,985.32	-	-	-
Commodities	4.50	-	-	-
Emergency Management				
Commodities	2,344.94	-	-	-
Operating Transfers to:				
Capital Outlay Improvement Fund	-	25,000.00	25,000.00	-
Equipment Reserve Fund	-	17,750.00	15,000.00	2,750.00
Tax Refund Reserve Fund	-	45,000.00	45,000.00	-
Tax Refund Litigation Fund	-	15,000.00	15,000.00	-
Total Expenditures	507,464.47	1,795,857.24	\$ 1,850,000.00	\$ (54,142.76)
Receipts Over(Under) Expenditures	(3,509.71)	(90,193.64)		
Unencumbered Cash, Beginning	504,894.12	501,384.41		
Unencumbered Cash, Ending	\$ 501,384.41	\$ 411,190.77		

CITY OF GARNETT, KANSAS
AIRPORT FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ 54,786.81	\$ 74,936.11	\$ 77,735.00	\$ (2,798.89)
Delinquent Tax	1,072.22	1,721.80	-	1,721.80
Motor Vehicle Tax	5,555.50	6,594.19	6,133.00	461.19
Commercial Vehicle Tax	273.12	260.48	455.00	(194.52)
Recreational Vehicle Tax	91.42	100.07	95.00	5.07
16/20M Truck Tax	20.74	24.83	23.00	1.83
Watercraft Tax	25.25	29.70	26.00	3.70
Excise Tax	-	0.21	-	0.21
Neighborhood Revitalization Rebates	-	(1,464.19)	(1,283.00)	(181.19)
Use of Money and Property				
Rental Income	6,203.00	7,226.14	6,250.00	976.14
Sale of Assets	19,726.70	12,379.87	16,750.00	(4,370.13)
Other Receipts				
Miscellaneous	843.12	559.07	-	559.07
Total Receipts	88,597.88	102,368.28	\$ 106,184.00	\$ (3,815.72)
Expenditures				
Culture and Recreation				
Personal Services	476.48	23,278.00	\$ 26,000.00	(2,722.00)
Contractual Services	37,748.00	5,740.48	5,500.00	240.48
Commodities	19,702.77	28,608.06	36,000.00	(7,391.94)
Capital Outlay	10,024.52	-	-	-
Operating Transfers to:				
Capital Outlay Improvement Fund	-	17,500.00	15,000.00	2,500.00
Equipment Reserve Fund	-	2,500.00	2,500.00	-
Tax Refund Reserve Fund	6,750.00	25,000.00	25,000.00	-
Tax Refund Litigation Fund	2,750.00	10,000.00	10,000.00	-
Total Expenditures	77,451.77	112,626.54	\$ 120,000.00	\$ (7,373.46)
Receipts Over(Under) Expenditures	11,146.11	(10,258.26)		
Unencumbered Cash, Beginning	6,834.41	17,980.52		
Unencumbered Cash, Ending	\$ 17,980.52	\$ 7,722.26		

CITY OF GARNETT, KANSAS
LIBRARY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ 138,705.98	\$ 177,332.64	\$ 183,965.00	\$ (6,632.36)
Delinquent Tax	3,171.85	4,799.16	-	4,799.16
Motor Vehicle Tax	14,279.22	16,699.16	15,530.00	1,169.16
Commercial Vehicle Tax	697.70	659.48	1,152.00	(492.52)
Recreational Vehicle Tax	233.94	253.39	240.00	13.39
1620M Truck Tax	68.41	63.38	58.00	5.38
Watercraft Tax	64.45	75.19	66.00	9.19
Excise Tax	-	0.54	-	0.54
Neighborhood Revitalization Rebates	-	(3,464.96)	(3,444.00)	(20.96)
Other Receipts				
Donations	915.60	47.45	2,000.00	(1,952.55)
Miscellaneous	5,815.06	5,662.95	5,000.00	662.95
Total Receipts	163,952.21	202,128.38	\$ 204,567.00	\$ (2,438.62)
Expenditures				
Culture and Recreation				
Personal Services	103,000.61	122,962.75	\$ 135,000.00	\$ (12,037.25)
Contractual Services	22,752.95	9,792.97	12,500.00	(2,707.03)
Commodities	6,810.38	43,626.97	47,500.00	(3,873.03)
Capital Outlay	6,828.70	-	-	-
Operating Transfers to:				
Capital Outlay Improvement Fund	-	23,000.00	5,000.00	18,000.00
Tax Refund Reserve Fund	19,500.00	-	-	-
Tax Refund Litigation Fund	7,750.00	-	-	-
Total Expenditures	166,642.64	199,382.69	\$ 200,000.00	\$ (617.31)
Receipts Over(Under) Expenditures	(2,690.43)	2,745.69		
Unencumbered Cash, Beginning	12,457.83	9,767.40		
Unencumbered Cash, Ending	\$ 9,767.40	\$ 12,513.09		

CITY OF GARNETT, KANSAS
PARKS FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Taxes and Shared Receipts		
Ad Valorem Property Tax	\$ 108,676.67	\$ -
Delinquent Tax	2,995.68	-
Motor Vehicle Tax	14,365.76	-
Commercial Vehicle Tax	703.67	-
Recreational Vehicle Tax	235.80	-
16/20M Truck Tax	62.71	-
Watercraft Tax	65.02	-
Intergovernmental		-
State Grants	26,571.00	-
Licenses and Permits		-
Camping Permits	18,854.39	-
Other Receipts		-
Miscellaneous	777.25	-
Total Receipts	173,307.95	-
Expenditures		
Culture and Recreation		
Personal Services	100,295.78	-
Contractual Services	6,057.92	-
Commodities	23,906.59	-
Capital Outlay	33,781.66	-
Operating Transfers to:		
Tax Refund Reserve Fund	18,250.00	-
Tax Refund Litigation Fund	7,500.00	-
Residual Transfers to		
General Fund	-	471.75
Total Expenditures	189,791.95	471.75
Receipts Over(Under) Expenditures	(16,484.00)	(471.75)
Unencumbered Cash, Beginning	16,955.75	471.75
Unencumbered Cash, Ending	\$ 471.75	\$ -

CITY OF GARNETT, KANSAS
RECREATION FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Taxes and Shared Receipts		
Ad Valorem Property Tax	\$ 76,989.07	\$ -
Delinquent Tax	1,971.14	-
Motor Vehicle Tax	9,421.04	-
Commercial Vehicle Tax	462.71	-
Recreational Vehicle Tax	154.94	-
1620M Truck Tax	36.77	-
Watercraft Tax	42.77	-
Charges for Services		
Tournament Fees	500.00	-
Team Sponsor Fees	7,225.00	-
Enrollment Fees	28,190.05	-
Concession Stand Receipts	10,496.88	-
Admissions	13,245.26	-
Other Receipts	-	-
Miscellaneous	253.00	-
Total Receipts	<u>148,988.63</u>	<u>-</u>
Expenditures		
Culture and Recreation		
Personal Services	93,513.72	-
Contractual Services	5,326.06	3,743.77
Commodities	38,881.88	-
Capital Outlay	5,264.83	-
Operating Transfers to:		
General Fund	-	10,828.43
Tax Refund Reserve Fund	16,250.00	-
Tax Refund Litigation Fund	250.00	-
Total Expenditures	<u>159,486.49</u>	<u>14,572.20</u>
Receipts Over(Under) Expenditures	(10,497.86)	(14,572.20)
Unencumbered Cash, Beginning	<u>25,070.06</u>	<u>14,572.20</u>
Unencumbered Cash, Ending	<u>\$ 14,572.20</u>	<u>\$ -</u>

CITY OF GARNETT, KANSAS
SPECIAL HIGHWAY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Motor Fuel Tax	\$ 86,947.68	\$ 88,656.14	\$ 87,770.00	\$ 886.14
Sales Tax	-	141,442.81	113,000.00	28,442.81
Total Receipts	86,947.68	230,098.95	\$ 200,770.00	\$ 29,328.95
Expenditures				
General Government				
Personal Services	83,902.80	-	\$ -	\$ -
Commodities	-	160,947.92	200,000.00	(39,052.08)
Total Expenditures	83,902.80	160,947.92	\$ 200,000.00	\$ (39,052.08)
Receipts Over(Under) Expenditures	3,044.88	69,151.03		
Unencumbered Cash, Beginning	24,936.22	27,981.10		
Unencumbered Cash, Ending	\$ 27,981.10	\$ 97,132.13		

CITY OF GARNETT, KANSAS
SPECIAL PARKS AND RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental				
Local Alcoholic Liquor Tax	\$ 5,122.06	\$ 4,836.64	\$ 5,000.00	\$ (163.36)
Total Receipts	<u>5,122.06</u>	<u>4,836.64</u>	<u>\$ 5,000.00</u>	<u>\$ (163.36)</u>
Expenditures				
Culture and Recreation				
Contractual Services	-	-	\$ 5,000.00	\$ (5,000.00)
Capital Outlay	5,000.00	-	-	-
Total Expenditures	<u>5,000.00</u>	<u>-</u>	<u>\$ 5,000.00</u>	<u>\$ (5,000.00)</u>
Receipts Over(Under) Expenditures	122.06	4,836.64		
Unencumbered Cash, Beginning	<u>743.68</u>	<u>865.74</u>		
Unencumbered Cash, Ending	<u>\$ 865.74</u>	<u>\$ 5,702.38</u>		

CITY OF GARNETT, KANSAS
PUBLIC SAFETY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ 335,150.44	\$ 288,131.01	\$ 298,945.00	\$ (10,813.99)
Delinquent Tax	8,702.72	12,426.35	-	12,426.35
Motor Vehicle Tax	41,995.93	40,598.97	37,524.00	3,074.97
Commercial Vehicle Tax	2,055.16	1,593.53	2,782.00	(1,188.47)
Recreational Vehicle Tax	688.82	613.07	581.00	32.07
16M-20M Truck Tax	190.18	186.68	139.00	47.68
Watercraft Tax	189.88	181.67	159.00	22.67
Excise Tax	-	1.60	-	1.60
Neighborhood Revitalization Rebates	-	(5,630.23)	(5,596.00)	(34.23)
Intergovernmental				
Federal Grants	-	2,555.16	-	2,555.16
Fines, Forfeitures and Penalties				
Fines	135,924.81	-	-	-
Other Receipts				
Miscellaneous	9,148.52	2,420.00	-	2,420.00
Operating Transfers from:				
Gas Utility Fund	-	200,000.00	200,000.00	-
Water Utility Fund	-	300,000.00	300,000.00	-
Total Receipts	534,046.46	843,077.81	\$ 834,534.00	\$ 8,543.81
Expenditures				
Fire Department				
Personal Services	-	104,921.12	\$ 102,000.00	\$ 2,921.12
Contractual Services	-	2,363.56	4,000.00	(1,636.44)
Commodities	-	38,647.61	49,000.00	(10,352.39)
Police Department				
Personal Services	325,470.33	466,774.07	554,250.00	(87,475.93)
Contractual Services	41,205.46	31,255.69	40,000.00	(8,744.31)
Commodities	33,230.86	72,301.96	53,250.00	19,051.96
Capital Outlay	52,473.61	-	-	-
Operating Transfers to:				
Capital Outlay Improvement Fund	-	5,000.00	5,000.00	-
Equipment Reserve Fund	-	35,000.00	32,500.00	2,500.00
Tax Refund Reserve Fund	54,328.00	45,000.00	45,000.00	-
Tax Refund Litigation Fund	22,000.00	15,000.00	15,000.00	-
Total Expenditures	528,708.26	816,264.01	\$ 900,000.00	\$ (83,735.99)
Receipts Over(Under) Expenditures	5,338.20	26,813.80		
Unencumbered Cash, Beginning	90,501.52	95,839.72		
Unencumbered Cash, Ending	\$ 95,839.72	\$ 122,653.52		

CITY OF GARNETT, KANSAS
CITY EMPLOYEE BENEFITS FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ 157,968.84	\$ -	\$ -	\$ -
Delinquent Tax	3,374.28	-	-	-
Motor Vehicle Tax	12,770.19	-	-	-
Commercial Vehicle Tax	625.14	-	-	-
Recreational Vehicle Tax	209.50	-	-	-
16M-20M Truck Tax	57.10	-	-	-
Watercraft Tax	57.76	-	-	-
Other Receipts				
Reimbursed Expense	819,522.75	-	-	-
Operating Transfers from Water Utility Fund	47,338.03	-	-	-
Total Receipts	1,041,923.59	-	\$ -	\$ -
Expenditures				
General Government				
Personal Services	1,039,822.35	-	\$ -	-
Operating Transfers to:				
Tax Refund Reserve Fund	16,000.00	-	-	-
Tax Refund Litigation Fund	6,500.00	-	-	-
Total Expenditures	1,062,322.35	-	\$ -	\$ -
Receipts Over(Under) Expenditures	(20,398.76)	-		
Unencumbered Cash, Beginning	20,398.76	-		
Unencumbered Cash, Ending	\$ -	\$ -		

CITY OF GARNETT, KANSAS
CAPITAL OUTLAY IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
City Sales Tax	\$ 277,446.02	\$ -	\$ -	\$ -
Use of Money and Property				
Loan Repayment	2,634.01	-	-	-
Anderson Co Bond Payment	12,810.00	-	-	-
Other Receipts				
Miscellaneous	748.40	-	-	-
Operating Transfers from:				
General Fund	-	25,000.00	25,000.00	-
Airport Fund	-	17,500.00	5,000.00	12,500.00
Library Fund	-	23,000.00	5,000.00	18,000.00
Public Safety Fund	-	5,000.00	5,000.00	-
Electric Utility Fund	-	50,000.00	50,000.00	-
Gas Utility Fund	-	7,500.00	7,500.00	-
Sanitation Utility Fund	-	2,500.00	2,500.00	-
Wastewater Utility Fund	-	17,500.00	27,500.00	(10,000.00)
Water Utility Fund	-	30,000.00	30,000.00	-
Total Receipts	<u>293,638.43</u>	<u>178,000.00</u>	<u>\$ 157,500.00</u>	<u>\$ 20,500.00</u>
Expenditures				
General Government				
Capital Outlay	178,404.28	27,691.40	\$ 185,000.00	\$ (157,308.60)
Debt Service				
Principal	80,000.00	-	-	-
Interest	43,891.28	-	-	-
Total Expenditures	<u>302,295.56</u>	<u>27,691.40</u>	<u>\$ 185,000.00</u>	<u>\$ (157,308.60)</u>
Receipts Over(Under) Expenditures	(8,657.13)	150,308.60		
Unencumbered Cash, Beginning	<u>127,647.49</u>	<u>118,990.36</u>		
Unencumbered Cash, Ending	<u>\$ 118,990.36</u>	<u>\$ 269,298.96</u>		

CITY OF GARNETT, KANSAS
EQUIPMENT RESERVE FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from:		
General Fund	\$ -	\$ 17,750.00
Airport Fund	-	2,500.00
Public Safety Fund	-	35,000.00
Electric Utility Fund	-	240,000.00
Gas Utility Fund	-	22,500.00
Sanitation Utility Fund	-	15,000.00
Wastewater Utility Fund	-	47,500.00
Water Utility Fund	-	22,500.00
Total Receipts	-	402,750.00
Expenditures		
General Government		
Capital Outlay	-	359,580.71
Total Expenditures	-	359,580.71
Receipts Over(Under) Expenditures	-	43,169.29
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 43,169.29

CITY OF GARNETT, KANSAS
DRUG SEIZURE FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
State Grants	\$ -	\$ 4,791.00
Other Receipts		
Proceeds from Seizures	-	250.00
	<u>-</u>	<u>5,041.00</u>
Total Receipts	<u>-</u>	<u>5,041.00</u>
Expenditures		
General Government		
Personal Services	-	117.10
Contractual Services	-	2,325.00
	<u>-</u>	<u>2,442.10</u>
Total Expenditures	<u>-</u>	<u>2,442.10</u>
Receipts Over(Under) Expenditures	-	2,598.90
Unencumbered Cash, Beginning	<u>3,197.17</u>	<u>3,197.17</u>
Unencumbered Cash, Ending	<u>\$ 3,197.17</u>	<u>\$ 5,796.07</u>

CITY OF GARNETT, KANSAS
CREATIVE ARTS GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
State Grants	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital Projects		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	6,630.62	6,630.62
Unencumbered Cash, Ending	\$ 6,630.62	\$ 6,630.62

CITY OF GARNETT, KANSAS
CIVIC BUILDING FUND

Schedule of Receipts and Expenditures - Actual
 Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Donations	\$ 2,757.50	\$ -
Total Receipts	<u>2,757.50</u>	<u>-</u>
Expenditures		
Capital Improvements		
Capital Outlay	2,353.50	-
Residual Transfers to General Fund	<u>-</u>	<u>2,036.84</u>
Total Expenditures	<u>2,353.50</u>	<u>2,036.84</u>
Receipts Over(Under) Expenditures	404.00	(2,036.84)
Unencumbered Cash, Beginning	<u>1,632.84</u>	<u>2,036.84</u>
Unencumbered Cash, Ending	<u>\$ 2,036.84</u>	<u>\$ -</u>

CITY OF GARNETT, KANSAS
RECREATION CENTER FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Charges for Service		
Enrollment Fees	\$ 11,851.00	\$ -
Member Fees	35,733.00	-
Use of Money and Property		
Rental Proceeds	969.00	-
Other Receipts		
Donations	210.00	-
Total Receipts	<u>48,763.00</u>	<u>-</u>
Expenditures		
General Government		
Personal Services	44,924.72	-
Contractual Services	2,496.85	-
Commodities	6,961.12	-
Capital Outlay	6,351.81	-
Residual Transfers to General Fund	-	5,963.39
Total Expenditures	<u>60,734.50</u>	<u>5,963.39</u>
Receipts Over(Under) Expenditures	(11,971.50)	(5,963.39)
Unencumbered Cash, Beginning	<u>17,934.89</u>	<u>5,963.39</u>
Unencumbered Cash, Ending	<u>\$ 5,963.39</u>	<u>\$ -</u>

CITY OF GARNETT, KANSAS
SIDEWALK/STORMWATER REPAIR FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Operation Transfers from:		
Electric Utility Fund	\$ 30,000.00	\$ -
Gas Utility Fund	16,204.46	-
Total Receipts	46,204.46	-
Expenditures		
Special Projects		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	46,204.46	-
Unencumbered Cash, Beginning	(46,204.46)	-
Unencumbered Cash, Ending	\$ -	\$ -

CITY OF GARNETT, KANSAS
TOURISM FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Transient Guest Tax	\$ 22,639.09	\$ 26,480.42	\$ 25,000.00	\$ 1,480.42
Other Receipts				
Miscellaneous	8,724.37	-	-	-
Total Receipts	<u>31,363.46</u>	<u>26,480.42</u>	<u>\$ 25,000.00</u>	<u>\$ 1,480.42</u>
Expenditures				
General Government				
Contractual Services	31,514.12	-	\$ 25,000.00	\$ (25,000.00)
Commodities	1,502.43	12,781.49	-	12,781.49
Total Expenditures	<u>33,016.55</u>	<u>12,781.49</u>	<u>\$ 25,000.00</u>	<u>\$ (12,218.51)</u>
Receipts Over(Under) Expenditures	(1,653.09)	13,698.93		
Unencumbered Cash, Beginning	<u>20,843.52</u>	<u>19,190.43</u>		
Unencumbered Cash, Ending	<u>\$ 19,190.43</u>	<u>\$ 32,889.36</u>		

CITY OF GARNETT, KANSAS
TAX REFUND RESERVE FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from:		
General Fund	\$ -	\$ 45,000.00
Airport Fund	6,750.00	25,000.00
Parks and Recreation Fund	34,500.00	-
Public Safety Fund	54,328.00	45,000.00
Library Fund	19,500.00	-
General Obligation Bond and Interest Fund	8,922.00	25,000.00
City Employee Benefits Fund	16,000.00	-
Total Receipts	<u>140,000.00</u>	<u>140,000.00</u>
Expenditures		
General Government Tax Refunds	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over(Under) Expenditures	140,000.00	140,000.00
Unencumbered Cash, Beginning	<u>-</u>	<u>140,000.00</u>
Unencumbered Cash, Ending	<u>\$ 140,000.00</u>	<u>\$ 280,000.00</u>

CITY OF GARNETT, KANSAS
TAX REFUND LITIGATION FUND

Schedule of Receipts and Expenditures - Actual
 Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from:		
General Fund	\$ -	\$ 15,000.00
Airport Fund	2,750.00	10,000.00
Parks and Recreation Fund	7,750.00	-
Public Safety Fund	22,000.00	15,000.00
Library Fund	7,750.00	-
General Obligation		
Bond and Interest Fund	3,250.00	10,000.00
City Employee Benefits Fund	6,500.00	-
Total Receipts	<u>50,000.00</u>	<u>50,000.00</u>
Expenditures		
General Government		
Tax Refunds	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over(Under) Expenditures	50,000.00	50,000.00
Unencumbered Cash, Beginning	<u>-</u>	<u>50,000.00</u>
Unencumbered Cash, Ending	<u>\$ 50,000.00</u>	<u>\$ 100,000.00</u>

CITY OF GARNETT, KANSAS
ECONOMIC DEVELOPMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Anderson County Appropriations	\$ 20,000.00	\$ 12,500.00	\$ 20,000.00	\$ (7,500.00)
Use of Money and Property				
Revolving Payments	-	1,967.34	2,750.00	(782.66)
Operating Transfer from				
Electric Utility Fund	20,000.00	20,000.00	20,000.00	-
Total Receipts	<u>40,000.00</u>	<u>34,467.34</u>	<u>\$ 42,750.00</u>	<u>\$ (8,282.66)</u>
Expenditures				
Collections				
Personal Services	36,004.00	29,100.77	\$ 47,500.00	\$ (18,399.23)
Contractual Services	2,360.57	75.00	2,500.00	(2,425.00)
Commodities	1,330.23	3,063.00	-	3,063.00
Total Expenditures	<u>39,694.80</u>	<u>32,238.77</u>	<u>\$ 50,000.00</u>	<u>\$ (17,761.23)</u>
Receipts Over(Under) Expenditures	305.20	2,228.57		
Unencumbered Cash, Beginning	<u>17,378.55</u>	<u>17,683.75</u>		
Unencumbered Cash, Ending	<u>\$ 17,683.75</u>	<u>\$ 19,912.32</u>		

CITY OF GARNETT, KANSAS
GENERAL OBLIGATION BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ 58,051.44	\$ 79,807.01	\$ 82,790.00	\$ (2,982.99)
Delinquent Tax	1,443.40	2,101.84	-	2,101.84
Motor Vehicle Tax	5,988.87	6,988.49	6,501.00	487.49
Commercial Vehicle Tax	291.00	276.02	482.00	(205.98)
Recreational Vehicle Tax	97.72	106.07	101.00	5.07
16M-20M Truck Tax	34.39	26.42	24.00	2.42
Watercraft Tax	26.87	31.47	28.00	3.47
Excise Tax	-	0.23	-	0.23
Neighborhood Revitalization Rebates	-	(1,559.36)	(1,292.00)	(267.36)
Special Assessments	25,827.50	25,087.50	-	25,087.50
Sales Tax	-	141,442.82	113,000.00	28,442.82
Other Receipts				
Reimbursed Expense	-	12,440.00	12,000.00	440.00
Operating Transfers from:				
Electric Utility Fund	22,500.00	35,000.00	35,000.00	-
Water Utility Fund	22,500.00	127,500.00	127,500.00	-
Wastewater Utility Fund	-	240,000.00	240,000.00	-
Combined Utility Debt Service Fund	10,441.98	-	-	-
Total Receipts	147,203.17	669,248.51	\$ 616,134.00	\$ 53,114.51
Expenditures				
General Government				
Capital Outlay	202.70	-	\$ 596.00	\$ (596.00)
Debt Service				
Bond Principal	70,681.90	509,137.88	542,101.00	(32,963.12)
Bond Interest	13,139.32	100,264.08	67,303.00	32,961.08
Operating Transfers to:				
Tax Refund Reserve Fund	8,922.00	25,000.00	25,000.00	-
Tax Refund Litigation Fund	3,250.00	10,000.00	10,000.00	-
Total Expenditures	96,195.92	644,401.96	\$ 645,000.00	\$ (598.04)
Receipts Over(Under) Expenditures	51,007.25	24,846.55		
Unencumbered Cash, Beginning	3,155.71	54,162.96		
Unencumbered Cash, Ending	\$ 54,162.96	\$ 79,009.51		

CITY OF GARNETT, KANSAS
INDUSTRIAL PARK DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Sale of Assets	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital Improvements		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	86,564.41	86,564.41
Unencumbered Cash, Ending	\$ 86,564.41	\$ 86,564.41

CITY OF GARNETT, KANSAS
KDOT PROJECT S.B. TURNING LANE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
State Grant - KDOT	\$ 48,146.00	\$ 398,045.91
Total Receipts	48,146.00	398,045.91
Expenditures		
Capital Improvements		
Capital Outlay	431,941.91	14,250.00
Total Expenditures	431,941.91	14,250.00
Receipts Over(Under) Expenditures	(383,795.91)	383,795.91
Unencumbered Cash, Beginning	-	(383,795.91)
Unencumbered Cash, Ending	\$ (383,795.91)	\$ -

CITY OF GARNETT, KANSAS
SANITATION UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Utility Collections	\$ 319,498.79	\$ 325,538.04	\$ 315,000.00	\$ 10,538.04
Penalty Fees	-	1,456.10	1,500.00	(43.90)
Other Receipts				
Miscellaneous	5,643.45	1,453.61	-	1,453.61
Total Receipts	<u>325,142.24</u>	<u>328,447.75</u>	<u>\$ 316,500.00</u>	<u>\$ 11,947.75</u>
Expenditures				
Collections				
Personal Services	180,654.51	168,178.62	\$ 209,250.00	\$ (41,071.38)
Contractual Services	80,964.59	90,428.16	85,000.00	5,428.16
Commodities	21,927.01	38,943.30	53,250.00	(14,306.70)
Capital Outlay	14,123.24	-	-	-
Debt Service				
Capital Lease	14,853.64	14,853.64	15,000.00	(146.36)
Operating Transfers to:				
Capital Outlay Improvement Fund	-	2,500.00	2,500.00	-
Equipment Reserve Fund	-	15,000.00	15,000.00	-
Total Expenditures	<u>312,522.99</u>	<u>329,903.72</u>	<u>\$ 380,000.00</u>	<u>\$ (50,096.28)</u>
Receipts Over(Under) Expenditures	12,619.25	(1,455.97)		
Unencumbered Cash, Beginning	<u>199,111.89</u>	<u>211,731.14</u>		
Unencumbered Cash, Ending	<u>\$ 211,731.14</u>	<u>\$ 210,275.17</u>		

CITY OF GARNETT, KANSAS
ELECTRIC UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Electric Sales	\$ 2,894,717.29	\$ 3,086,953.10	\$ 2,862,500.00	\$ 224,453.10
Taps and Connections	12,082.98	2,564.30	2,500.00	64.30
Pole Rentals	2,976.00	2,187.85	-	2,187.85
Security Lights	-	13,170.25	-	13,170.25
Penalty Fees	-	12,151.29	15,000.00	(2,848.71)
Other Receipts				
Miscellaneous	45,244.43	6,719.46	-	6,719.46
Total Receipts	<u>2,955,020.70</u>	<u>3,123,746.25</u>	<u>\$ 2,880,000.00</u>	<u>\$ 243,746.25</u>
Expenditures				
Production				
Personal Services	286,582.39	281,686.27	\$ 560,000.00	(278,313.73)
Contractual Services	1,633,722.06	1,655,074.43	1,785,000.00	(129,925.57)
Commodities	29,804.02	35,984.50	250,000.00	(214,015.50)
Capital Outlay	5,595.00	-	-	-
Distribution				
Personal Services	260,525.99	283,594.68	-	283,594.68
Contractual Services	14,163.32	17,522.41	-	17,522.41
Commodities	88,425.23	102,000.26	-	102,000.26
Capital Outlay	24,298.08	-	-	-
Administration and General				
Personal Services	353,491.18	-	-	-
Contractual Services	45,469.11	9,081.41	-	9,081.41
Commodities	6,976.91	-	-	-
Capital Outlay	12,360.44	-	-	-
Debt Service				
Principal	25,000.00	-	-	-
Interest	10,125.00	-	-	-
Operating Transfers to:				
Capital Outlay Improvement Fund	-	50,000.00	50,000.00	-
Equipment Reserve Fund	-	240,000.00	20,000.00	220,000.00
General Fund	-	440,000.00	480,000.00	(40,000.00)
Sidewalk/Stormwater Repair Fund	30,000.00	-	-	-
General Obligation Bond and Interest Fund	22,500.00	35,000.00	35,000.00	-
Economic Development Fund	20,000.00	20,000.00	20,000.00	-
Combined Utility GO Refunding Bond Fund	100,000.00	-	-	-
Total Expenditures	<u>2,969,038.73</u>	<u>3,169,943.96</u>	<u>\$ 3,200,000.00</u>	<u>\$ (30,056.04)</u>
Receipts Over(Under) Expenditures	(14,018.03)	(46,197.71)		
Unencumbered Cash, Beginning	1,901,537.33	1,887,519.30		
Unencumbered Cash, Ending	<u>\$ 1,887,519.30</u>	<u>\$ 1,841,321.59</u>		

CITY OF GARNETT, KANSAS
WATER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Transient Guest Tax	\$ 3,149.16	\$ -	\$ -	\$ -
State Water Tax	2,699.05	-	-	-
Charges for Services				
Water Sales	1,094,742.62	1,160,450.62	1,057,500.00	102,950.62
Sewer Service	647,471.50	-	-	-
Penalty Fees	-	5,698.50	5,000.00	698.50
Other Sales	180.00	1,838.00	-	1,838.00
Other Receipts				
Miscellaneous	41,504.33	65.19	-	65.19
Residual Transfer from				
Combined Utility GO Refunding				
Bond Fund	-	204,000.00	-	204,000.00
Total Receipts	1,789,746.66	1,372,052.31	\$ 1,062,500.00	\$ 309,552.31
Expenditures				
Water Production				
Personal Services	82,712.55	216,104.07	\$ 172,750.00	\$ 43,354.07
Contractual Services	37,941.19	125,921.74	801,250.00	(675,328.26)
Commodities	137,535.17	278,159.37	278,500.00	(340.63)
Water Distribution				
Personal Services	108,870.29	-	-	-
Contractual Services	3,804.93	-	-	-
Commodities	20,090.52	-	-	-
Capital Outlay	14,970.59	-	-	-
Pollution Control				
Personal Services	163,860.43	-	-	-
Contractual Services	22,433.04	-	-	-
Commodities	53,673.17	-	-	-
Capital Outlay	1,325.48	-	-	-
Administration and General				
Personal Services	286,479.11	-	-	-
Contractual Services	63,573.52	-	-	-
Commodities	6,450.21	-	-	-
Capital Outlay	873.58	-	-	-
Debt Service - Revolving Loan				
Principal	338,733.29	45,000.00	-	45,000.00
Interest	69,989.26	176.50	-	176.50
Service Fees	1,896.91	-	-	-

CITY OF GARNETT, KANSAS
WATER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to:				
Capital Outlay Improvement Fund	\$ -	\$ 30,000.00	\$ 30,000.00	\$ -
Equipment Reserve Fund	-	22,500.00	5,000.00	17,500.00
Public Safety Fund	-	300,000.00	300,000.00	-
Wastewater Utility Fund	300,000.00	-	-	-
Combined Utility GO Refunding				
Bond Fund	209,021.54	-	-	-
City Employee Benefits Fund	47,338.03	-	-	-
General Obligation Bond and Interest Fund	22,500.00	127,500.00	127,500.00	-
Total Expenditures	1,994,072.81	1,145,361.68	\$ 1,715,000.00	\$ (569,638.32)
Receipts Over(Under) Expenditures	(204,326.15)	226,690.63		
Unencumbered Cash, Beginning	1,699,610.34	1,495,284.19		
Unencumbered Cash, Ending	\$ 1,495,284.19	\$ 1,721,974.82		

CITY OF GARNETT, KANSAS
GAS UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Gas Sales	\$ 1,003,025.72	\$ 1,210,187.72	\$ 1,005,000.00	\$ 205,187.72
Service Fees	144.00	1,848.72	-	1,848.72
Penalty Fees	-	2,586.87	5,000.00	(2,413.13)
Other Receipts				
Miscellaneous	15,038.09	1,330.96	-	1,330.96
Total Receipts	1,018,207.81	1,215,954.27	\$ 1,010,000.00	\$ 205,954.27
Expenditures				
Distribution				
Personal Services	152,425.56	115,182.39	171,000.00	(55,817.61)
Contractual Services	3,695.14	530,965.63	814,500.00	(283,534.37)
Commodities	709,435.15	36,324.74	52,000.00	(15,675.26)
Capital Outlay	16,091.22	-	-	-
Administration and General				
Personal Services	222,276.40	-	-	-
Contractual Services	30,937.96	-	-	-
Commodities	6,546.90	-	-	-
Capital Outlay	7,298.37	-	-	-
Operating Transfers to:				
Sidewalk/Stormwater Repair Fund	16,204.46	-	-	-
Capital Outlay Improvement Fund	-	7,500.00	7,500.00	-
Equipment Reserve Fund	-	22,500.00	5,000.00	17,500.00
Public Safety Fund	-	200,000.00	200,000.00	-
Total Expenditures	1,164,911.16	912,472.76	\$ 1,250,000.00	\$ (337,527.24)
Receipts Over(Under) Expenditures	(146,703.35)	303,481.51		
Unencumbered Cash, Beginning	1,062,392.36	915,689.01		
Unencumbered Cash, Ending	\$ 915,689.01	\$ 1,219,170.52		

CITY OF GARNETT, KANSAS
WASTEWATER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Sewer Sales	\$ -	\$ 645,136.47	\$ 615,000.00	\$ 30,136.47
Service Fees	-	200.00	-	200.00
Penalty Fees	-	4,447.64	2,500.00	1,947.64
Other Receipts				
Miscellaneous	-	20.00	-	20.00
Operating Transfers from Water Utility Fund	300,000.00	-	-	-
Total Receipts	300,000.00	649,804.11	\$ 617,500.00	\$ 32,304.11
Expenditures				
Collections				
Personal Services	-	154,542.73	150,500.00	4,042.73
Contractual Services	-	20,232.36	24,750.00	(4,517.64)
Commodities	-	139,424.10	212,250.00	(72,825.90)
Operating Transfers to:				
Capital Outlay Improvement Fund	-	17,500.00	17,500.00	-
Equipment Reserve Fund	-	47,500.00	5,000.00	42,500.00
General Obligation Bond and Interest Fund	-	240,000.00	240,000.00	-
Total Expenditures	-	619,199.19	\$ 650,000.00	\$ (30,800.81)
Receipts Over(Under) Expenditures	300,000.00	30,604.92		
Unencumbered Cash, Beginning	-	300,000.00		
Unencumbered Cash, Ending	\$ 300,000.00	\$ 330,604.92		

CITY OF GARNETT, KANSAS
COMBINED UTILITY GO REFUNDING BOND FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from:		
Electric Utility Fund	\$ 100,000.00	\$ -
Water Utility Fund	209,021.54	-
Total Receipts	<u>309,021.54</u>	<u>-</u>
Expenditures		
Capital Improvements		
Capital Outlay	94,064.00	-
Debt Service		
Bond Principal	222,036.24	-
Bond Interest	5,000.00	-
Operating Transfers to		
General Obligation Bond and Interest Fund	10,441.98	-
Residual Transfer to Water Utility Fund	-	204,000.00
Total Expenditures	<u>331,542.22</u>	<u>204,000.00</u>
Receipts Over(Under) Expenditures	(22,520.68)	(204,000.00)
Unencumbered Cash, Beginning	<u>226,520.68</u>	<u>204,000.00</u>
Unencumbered Cash, Ending	<u>\$ 204,000.00</u>	<u>\$ -</u>

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

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Sales Tax Collections	\$ 4,150.53	\$ 51,892.45	\$ 56,042.98	\$ -
Utility Deposits	-	197,625.00	66,050.00	131,575.00
Municipal Court	1,700.00	99,009.50	99,609.50	1,100.00
Twin Rivers Softball League	-	9,618.77	2,264.63	7,354.14
	<u>\$ 5,850.53</u>	<u>\$ 358,145.72</u>	<u>\$ 223,967.11</u>	<u>\$ 140,029.14</u>