

**CITY OF LA CYGNE, KANSAS**

For the Year Ended December 31, 2015  
Regulatory Basis Financial Statements and  
Independent Auditors' Report with  
Regulatory-Required Supplemental Information

**CITY OF LA CYGNE, KANSAS**  
**TABLE OF CONTENTS**

	<u>PAGE NUMBER</u>
Independent Auditors' Report .....	1 - 2
 FINANCIAL STATEMENT:	
Summary Statement of Cash Receipts, Expenditures, and Unencumbered Cash, Regulatory Basis .....	3 - 4
Notes to Financial Statement .....	5 – 15
 REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION:	
Schedule 1	
Summary of Expenditures - Actual and Budget, Regulatory Basis .....	16
 Schedule 2	
Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis	
General Fund .....	17 – 19
Special Highway Fund .....	20
Special Park and Pool Fund .....	21
Special Park and Recreation Fund .....	22
Oak Lawn Cemetery Fund .....	23
Employee Benefit Fund .....	24
Special Pool Reserve Fund .....	25
Equipment Reserve Fund .....	26
Capital Improvement Fund .....	27
Park and Pool Sales Tax Fund .....	28
Sidewalk Capital Project Fund .....	29
Water Project Phase I Fund .....	30
Water Project Phase II Fund .....	31
General Bond and Interest Fund .....	32
Gas Utility Fund .....	33
Water Utility Fund .....	34
Sewer Utility Fund .....	35
Solid Waste Utility Fund .....	36
Pollman Cemetery Fund .....	37
Energy Assistance Fund .....	38

# Diehl Banwart Bolton

*Certified Public Accountants PA*

---

## INDEPENDENT AUDITORS' REPORT

To the Mayor and the City Council  
City of La Cygne, Kansas

We have audited the accompanying Summary Statement of Receipts, Expenditures, and Unencumbered Cash, Regulatory Basis, of the City of La Cygne, Kansas as of and for the year ended December 31, 2015 and the related notes to the financial statement.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. This includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

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

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

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

### **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” paragraphs, 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 La Cygne, Kansas as of December 31, 2015 or changes in financial position or cash flows thereof for the year then ended.

### **Unqualified 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 for the City of La Cygne, Kansas as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the Summary Statement of Receipts, Expenditures, and Unencumbered Cash Balance, Regulatory Basis (basic financial statement) as a whole. The Summary of Expenditures – Actual and Budget, Regulatory Basis and individual fund Schedules of Receipts and Expenditures – Actual and Budget, Regulatory Basis (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and although it is not a required part of the basic financial statement, the information is 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.



DIEHL, BANWART, BOLTON, CPAs PA

June 22, 2016  
Fort Scott, Kansas

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

Funds	Beginning		Receipts	Expenditures	Ending		Plus Encumbrances and Accounts Payable	Cash Balance December 31, 2015
	Unencumbered Cash Balance	Unencumbered Cash Balance			Unencumbered Cash Balance	Unencumbered Cash Balance		
General Fund	\$ 499,994.19	\$ 676,042.13	\$ 483,948.40	\$ 692,087.92	\$ 9,269.08	\$ 701,357.00		
Special Purpose Funds								
Special Highway	20,388.96	29,473.18	26,157.77	23,704.37	-	23,704.37		23,704.37
Special Park and Pool	8,306.57	69,855.10	60,388.50	17,773.17	419.47	18,192.64		18,192.64
Special Park and Recreation	22,015.21	3,846.39	218.36	25,643.24	-	25,643.24		25,643.24
Oak Lawn Cemetery	1,063.13	17,944.40	16,068.23	2,939.30	39.45	2,978.75		2,978.75
Employee Benefit	113,850.10	278,027.01	296,261.00	95,616.11	-	95,616.11		95,616.11
Special Pool Reserve	28,234.03	153.55	-	28,387.58	-	28,387.58		28,387.58
Equipment Reserve	132,049.45	40,500.00	-	172,549.45	-	172,549.45		172,549.45
Capital Improvement	173,965.74	30,500.00	39,524.55	164,941.19	1,950.00	166,891.19		166,891.19
Park and Pool Sales Tax	516,809.77	242,912.11	203,675.76	556,046.12	-	556,046.12		556,046.12
Capital Project Funds								
Sidewalk Capital Project	-	35,000.00	29,900.00	5,100.00	9,248.00	14,348.00		14,348.00
Water Project Phase I	-	350,000.00	134,301.25	215,698.75	2,670.75	218,369.50		218,369.50
Water Project Phase II	-	2,603,000.00	674,688.75	1,928,311.25	382,250.00	2,310,561.25		2,310,561.25
Bond and Interest Fund								
General Bond and Interest	20,308.58	42,406.05	42,352.50	20,362.13	-	20,362.13		20,362.13
BUSINESS TYPE FUNDS								
Gas Utility	331,493.05	1,413,731.48	1,199,556.41	545,668.12	33,375.67	579,043.79		579,043.79
Water Utility	535,819.47	394,385.52	263,503.29	666,701.70	19,526.15	686,227.85		686,227.85
Sewer Utility	28,363.53	105,237.83	100,012.56	33,588.80	1,792.07	35,380.87		35,380.87
Solid Waste Utility	8,571.81	10,240.94	12,212.80	6,599.95	-	6,599.95		6,599.95
FIDUCIARY TYPE FUNDS								
Trust Funds								
Pollman Cemetery	49,476.70	2,078.44	456.60	51,098.54	-	51,098.54		51,098.54
Energy Assistance	-	6,467.01	6,467.01	-	5,590.81	5,590.81		5,590.81
Total Reporting Entity	\$ 2,490,710.29	\$ 6,351,801.14	\$ 3,589,693.74	\$ 5,252,817.69	\$ 466,131.45	\$ 5,718,949.14		\$ 5,718,949.14

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

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

Funds	Beginning Unencumbered Cash Balance		Receipts	Expenditures	Ending Unencumbered Cash Balance		Plus Encumbrances and Accounts Payable	Cash Balance December 31, 2015
Total Reporting Entity	\$ 2,490,710.29	\$ 6,351,801.14	\$ 3,589,693.74	\$ 5,252,817.69	\$ 466,131.45	\$ 5,718,949.14		

Composition of Cash	
General Checking and Savings Accounts.....	\$ 4,756,309.87
Certificates of Deposit .....	904,598.54
Petty Cash .....	125.00
U.S. Government Treasury Bond.....	55,915.73
U.S. Government Series HH Bonds.....	2,000.00
Total Reporting Entity	<u>\$ 5,718,949.14</u>

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

## CITY OF LA CYGNE, KANSAS

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2015

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of La Cygne, Kansas, have been prepared in accordance with the State of Kansas regulatory basis of accounting for Kansas Municipalities, and is designed to show compliance with the cash basis and budget laws of the State of Kansas. The Kansas Municipal Audit and Accounting Guide (KMAAG), as approved by the director of the Kansas Division of Accounts and Reports, establishes the guidelines for the regulatory basis of accounting in the state of Kansas.

##### Reporting Entity

The City of La Cygne, Kansas is a municipal corporation governed by an elected five member City Council. This financial statement represents the City of La Cygne, Kansas, (the primary government) and its related entity. Related municipal entities may be included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The following is a brief review of potential component units:

The La Cygne Housing Authority operates the City's housing projects. The Housing Authority can sue and be sued, and can buy, sell or lease real property. The City must approve Bond ordinances. The Housing Authority's financial statements should be included with the City's financial statements. However, the statements are omitted in an apparent departure from generally accepted accounting principles.

There are no other related entities related to the City which should be accounted for in the City's financial statements.

The City has elected to exclude the related entity from the basic financial statement.

##### Basis of Presentation - 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, restriction, or limitations.

The following types of funds comprise the financial activities of the city:

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

Special Purposes Funds – 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.

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

Basis of Presentation - Fund Accounting (Continued)

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

Trust Funds - funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Regulatory Basis of Accounting and Departures 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 for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the 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.

As discussed previously, related municipal entities are not included in this financial statement.

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

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
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. Park and Pool Sales Tax and General Bond and Interest budgets were amended 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

A legal operating budget is not required for capital project funds, fiduciary funds, reserve accounts established by bond ordinances, and the following special revenue funds:

- Capital Improvement Fund (K.S.A. 12-1,118)
- Equipment Reserve Fund (K.S.A. 12-1,117)
- Special Pool Project Fund (K.S.A. 12-1,118)

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.

Deposits and Investments

Cash includes amounts in demand and time deposit checking accounts. The Statutes of the State of Kansas allow Kansas municipalities to invest in savings accounts, certificates of deposit and United States Treasury Obligations. As of and during the year ended December 31, 2015, the City's funds were invested in an interest bearing money market checking account, certificates of deposit, and U.S. Treasury bills or HH bonds, which are acceptable investments in accordance with Kansas statutes.

Compensated Absences

Full-time employees earn and accumulate vacation leave from 10 to 21 days a year after one to eight years of employment. Vacation is not earned for partial years worked. Vacation leave may accumulate from 18 to 30 days based on the number of years of employment with the City.

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

Full-time employees earn and accumulate sick leave after six months of employment at the rate of one day per month worked. Sick leave may be accumulated up to 180 days. Accumulated sick leave is lost upon termination of employment with the City.

The City records a liability for compensated absences which meet the following criteria:

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 and is material.

In accordance with the above criteria, the City has accrued a liability totaling \$13,118.12 for vacation pay which has been earned but not taken by City employees. The liability is shown as a long-term obligation of the City, inasmuch as the liability is not expected to be paid with current resources.

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer statewide 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.

Termination and Post Employment Benefits

No termination benefits are provided to City employees when employment with the City ends except for the accrued compensated absences as discussed in Note 1.

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

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

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 1 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 1 of the ensuing year. At December 31, such taxes are a lien on the property.

2. **STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Compliance with Kansas Statutes

This financial statement and the regulatory-required supplementary information is designed to show compliance with the cash basis and budget laws of Kansas. The City was in apparent compliance with these laws.

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 or branch bank in the county in which the Government 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 FDIC coverage. The Government has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government'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 Government has no investment policy that would further limit its investment choices, but has limited the investments to time deposits at the local bank.

*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 Government's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not have any "peak periods" designated.

At December 31, 2015 the City's carrying amount of deposits was \$5,660,908.41 and the bank balance was \$5,742,417.92. The bank balance was primarily held by one bank resulting in a concentration of credit risk. Of the bank balance, \$506,482.31 was covered by federal depository insurance, and the remaining \$5,235,935.61 was collateralized with securities totaling \$5,668,228.97 held by the pledging financial institutions' agents in the City's name.

The City's investments consist of U.S. Treasury HH bonds recorded at cost of \$2,000 and a U.S. Treasury Bond with a cost of \$55,915.73, scheduled to mature in 2031. Market value is approximately the same as cost for the investments. The HH bonds are in the City's name and held in the City's safe deposit box at a local bank. The Treasury Bond is held by an agent in the City's safekeeping account.

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

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law 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 1.0% contribution rate for Death and Disability Program) and the statutory contribution rate was 9.48% for the year ended December 31, 2015. Contributions to the pension plan from the City were \$32,637.61 for the year ended December 31, 2015.

##### Net Pension Liability

At December 31, 2015, the City's proportionate share of the collective net pension liability reported by KPERS was \$258,557. The total net pension liability as of June 30, 2015 was \$8,978,950,317. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

**5. CUSTOMER DEPOSITS**

Water and Gas customers are required to make cash deposits to the City when starting new water service. The deposits are refunded to the customers when service is terminated. At December 31, the City has \$44,201.00 of customer deposits, of which \$14,350.00 is included with Water Utility Fund cash and \$29,851.00 is included in Gas Utility Fund cash in these financial statements.

**6. MAJOR CUSTOMERS AND SUPPLIERS**

During 2015, the City purchased, from one vendor, gas totaling \$229,003.32 for resale to City customers of the Gas Utility Fund.

**7. 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 various insurance policies.

**8. INTERFUND TRANSFERS**

Operating transfers during the year and the related statutory authority were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Equipment Reserve	12-1, 117	\$ 40,500.00
General	Capital Improvement	12-1, 118	30,500.00
Employee Benefit	General	79-2958	126,738.00

**9. CONTINGENCIES**

Grants are subject to additional audits by regulatory agents, the purpose of which is to ensure compliance with the specific conditions of the grants. Any liability for reimbursement which may arise as a result of the audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material and would not be payable by the City.

The City has signed contracts with two rural water districts (RWD's) to sell water to the districts at wholesale for resale to the patrons of the districts through the year May 2029. Starting in July 2007, the districts started to purchase water from another supplier and no longer buy significant amounts from the City. A mediated agreement was approved which requires the RWD's will make annual payments to assist the City in meeting the debt service requirements of the 2002 Water System Bonds discussed in Note 13. In 2015, these payments totaled \$42,347.50.

**10. BUDGET AMENDMENTS**

The budgets for the following funds were amended:

	2015 <u>Original</u>	2015 <u>Amended</u>
Park and Pool Sales Tax Fund		
Receipts		
Taxes	\$ 190,000.00	\$ 190,000.00
Use of Money and Property	<u>4,000.00</u>	<u>4,000.00</u>
Total Receipts	194,000.00	194,000.00
Unencumbered Cash, Beginning of year	<u>487,806.00</u>	<u>487,806.00</u>
Total Resources	<u><u>\$ 681,806.00</u></u>	<u><u>\$ 681,806.00</u></u>
Expenditures		
Capital Outlays	\$ 30,000.00	\$ 130,000.00
Debt Service	<u>113,675.00</u>	<u>113,675.00</u>
Total Expenditures	<u><u>\$ 143,675.00</u></u>	<u><u>\$ 243,675.00</u></u>
	2015 <u>Original</u>	2015 <u>Amended</u>
General Bond and Interest Fund		
Receipts		
Use of Money and Property	\$ 70.00	\$ 70.00
Other	<u>42,349.00</u>	<u>42,349.00</u>
Total Receipts	42,419.00	42,419.00
Unencumbered Cash, Beginning of year	<u>20,305.00</u>	<u>20,305.00</u>
Total Resources	<u><u>\$ 62,724.00</u></u>	<u><u>\$ 62,724.00</u></u>
Expenditures		
Debt Service	\$ 42,352.50	\$ 42,448.00
Total Expenditures	<u><u>\$ 42,352.50</u></u>	<u><u>\$ 42,448.00</u></u>

**11. CAPITAL PROJECTS**

Capital projects in the current year included two Water Improvement Projects Phases I and II involving federal funding. Expenses for these projects are considered expenditures of Federal assistance. Expenses for the year in these projects totaled \$808,990.00, which included actual expenses for services received totaling \$450,879.25 and encumbrances for uncompleted contracts totaling \$358,110.75.

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

11. **CAPITAL PROJECTS** (Continued)

Sidewalk Project

Project Authorization	
CDBG Grant	\$ 350,000.00
Local Share	<u>35,000.00</u>
Total Authorization	<u>\$ 385,000.00</u>
Project Expenses - Actual	
Capital Outlays	<u>\$ 29,900.00</u>

Water Project Phase I

Project Authorization	
USDA RD Loan	\$ 347,000.00
USDA RD Grant	668,000.00
CDBG Grant	<u>500,000.00</u>
Total Authorization	<u>\$ 1,515,000.00</u>
Project Expenses - Actual	
Capital Outlays	<u>\$ 134,301.25</u>

Water Project Phase II

Project Authorization	
USDA RD Loan	\$ 2,603,000.00
USDA RD Grant	<u>2,054,000.00</u>
Total Authorization	<u>\$ 4,657,000.00</u>
Project Expenses - Actual	
Capital Outlays	<u>\$ 674,688.75</u>

12. **SUBSEQUENT EVENTS**

Management has evaluated events and transactions occurring subsequent to December 31, 2015 through June 22, 2016, the date the financial statements were available to be issued. During this period, there were no subsequent events requiring recognition in the financial statements or disclosure in the notes to the financial statements, except as follows:

- The City Council has approved a water line replacement project in the City with an estimated cost of \$6,172,000, to be funded with a Community Development Block Grant of \$500,000; a USDA Rural Development grant of \$2,722,000; and general obligation bonds totaling \$2,950,000 for a term of 40 years at 2.75% interest. The project is expected to be completed in 2016.

13. **LONG-TERM DEBT OBLIGATIONS**

On February 19, 2015, the City issued \$825,000 of refunding general obligation bonds. The proceeds were used to pay off the Series 2009 bonds totaling \$785,000. The expected savings from the refunding issue is \$122.50, and the present value of the savings is \$33,923.96.

Details about the City's long-term obligations, changes in long term debt, and current maturities for the next five years and thereafter are recorded on the following two pages:

13. LONG TERM OBLIGATIONS (Continued)

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
<u>General Obligation Bonds</u>									
Water System Series 2002	3.85% to 5%	8/30/2002	\$500,000	10/1/2022	\$ 265,000.00	\$ -	\$ 30,000.00	\$ 235,000.00	\$ 12,347.50
Gas Refunding 2009	2% to 4.25%	11/1/2009	1,305,000	11/1/2021	785,000.00	-	785,000.00	-	9,915.97
Gas Refunding 2015	.25% to 2%	2/19/2015	825,000	10/1/2023	-	825,000.00	90,000.00	735,000.00	6,112.50
Water Series A, 2015	2.75%	8/4/2015	347,000	8/4/1955	-	347,000.00	-	347,000.00	-
Water Series B, 2015	2.75%	8/4/2015	2,603,000	8/4/1955	-	2,603,000.00	-	2,603,000.00	-
Total General Obligation Bonds					1,050,000.00	3,775,000.00	905,000.00	3,920,000.00	28,375.97
<u>Revenue Bonds</u>									
Pool Revenue Series 2009	2% to 5%	11/1/2009	1,620,000	11/1/2034	1,445,000.00	-	45,000.00	1,400,000.00	68,675.00
Total Temporary Notes					1,445,000.00	-	45,000.00	1,400,000.00	68,675.00
<u>Loan Agreements</u>									
Kansas Water Pollution Control Revolving Loan									
Wastewater Treatment	3.58%	2/22/2000	463,898	3/1/2021	236,687.93	-	30,321.75	206,366.18	8,204.45
Total Loan Agreements					236,687.93	-	30,321.75	206,366.18	8,204.45
<u>Capital Leases</u>									
2008 Case 580 M Loader	5.384%	8/28/2008	49,950	8/28/2015	8,615.69	-	8,615.69	-	125.63
GMC Tanker Truck	4.45%	12/17/2009	40,264	12/17/2015	7,569.52	-	7,569.52	-	221.00
1998 Pumper Truck	3.23%	7/8/2014	35,104	7/15/2019	35,104.00	-	6,559.09	28,544.91	1,171.29
Total Capital Leases					51,289.21	-	22,744.30	28,544.91	1,517.92
Total Long Term Debt					\$ 2,782,977.14	\$ 3,775,000.00	\$ 1,003,066.05	\$ 5,554,911.09	\$ 106,773.34



13. LONG TERM OBLIGATIONS (Continued)

PRINCIPAL	2016	2017	2018	2019	2020	2021		2026	2031		2036	2041		2046	2051		Totals
						2025	2030		2035	2040		2045	2050		2055		
<b>General Obligation Bonds</b>																	
Water System Series 2002	\$ 30,000	\$ 30,000	\$ 30,000	\$ 35,000	\$ 35,000	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,000
Gas Refunding 2015	90,000	90,000	90,000	90,000	90,000	285,000	285,000	-	-	-	-	-	-	-	-	-	735,000
Water Series A, 2015	4,869	5,003	5,140	5,282	5,427	29,458	29,458	33,737	38,638	44,251	44,251	50,680	58,042	66,474	66,474	66,474	347,000
Water Series B, 2015	36,524	37,528	38,560	39,621	40,710	220,974	220,974	253,076	289,841	331,947	331,947	380,170	435,398	498,650	498,650	498,650	2,603,000
Total General Obligation Bonds	161,393	162,531	163,701	169,903	171,137	610,432	610,432	286,813	328,479	376,198	376,198	430,849	493,440	565,124	565,124	565,124	3,920,000
<b>Revenue Bonds</b>																	
Pool Revenue Series 2009	45,000	50,000	50,000	50,000	55,000	315,000	315,000	390,000	445,000	445,000	-	-	-	-	-	-	1,400,000
Total Revenue Bonds	45,000	50,000	50,000	50,000	55,000	315,000	315,000	390,000	445,000	445,000	-	-	-	-	-	-	1,400,000
<b>Loan Agreements</b>																	
<b>Kansas Water Pollution Control</b>																	
Revolving Loan	31,417	32,552	33,728	34,946	36,208	37,516	37,516	-	-	-	-	-	-	-	-	-	206,366
Total Loan Agreements	31,417	32,552	33,728	34,946	36,208	37,516	37,516	-	-	-	-	-	-	-	-	-	206,366
Capital Leases																	
1998 Pumper Truck	6,793	7,018	7,248	7,485	-	-	-	-	-	-	-	-	-	-	-	-	28,545
Total Capital Leases	6,793	7,018	7,248	7,485	-	-	-	-	-	-	-	-	-	-	-	-	28,545
TOTAL PRINCIPAL	\$ 244,603	\$ 252,101	\$ 254,676	\$ 262,334	\$ 262,346	\$ 962,948	\$ 962,948	\$ 676,813	\$ 773,479	\$ 376,198	\$ 376,198	\$ 430,849	\$ 493,440	\$ 565,124	\$ 565,124	\$ 565,124	\$ 5,549,911
<b>INTEREST</b>																	
<b>General Obligation Bonds</b>																	
Water System Series 2002	\$ 11,028	\$ 9,678	\$ 8,298	\$ 6,888	\$ 5,225	\$ 5,463	\$ 5,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,578
Gas Refunding 2015	9,963	9,513	8,838	7,938	6,813	11,163	11,163	-	-	-	-	-	-	-	-	-	54,225
Water Series A, 2015	9,543	9,409	9,271	9,130	8,984	42,600	42,600	38,320	33,419	27,806	27,806	21,378	14,015	5,583	5,583	5,583	229,457
Water Series B, 2015	71,583	70,578	69,546	68,486	67,396	319,559	319,559	287,457	250,692	208,586	208,586	160,363	105,134	41,882	41,882	41,882	1,721,261
Total General Obligation Bonds	102,115	99,177	95,952	92,440	88,418	378,783	378,783	325,777	284,111	236,392	236,392	181,740	119,149	47,466	47,466	47,466	2,051,521
Revenue Bonds																	
Pool Revenue Series 2009	66,200	64,625	62,750	60,750	58,750	254,600	254,600	171,500	61,000	61,000	-	-	-	-	-	-	800,175
Total Revenue Bonds	66,200	64,625	62,750	60,750	58,750	254,600	254,600	171,500	61,000	61,000	-	-	-	-	-	-	800,175
Loan Agreements																	
<b>Kansas Water Pollution Control</b>																	
Revolving Loan	7,109	5,974	4,799	3,580	2,318	1,010	1,010	-	-	-	-	-	-	-	-	-	24,791
Total Loan Agreements	7,109	5,974	4,799	3,580	2,318	1,010	1,010	-	-	-	-	-	-	-	-	-	24,791
Capital Leases																	
1998 Pumper Truck	937	712	482	245	-	-	-	-	-	-	-	-	-	-	-	-	2,377
Total Capital Leases	937	712	482	245	-	-	-	-	-	-	-	-	-	-	-	-	2,377
TOTAL INTEREST	\$ 176,361	\$ 170,488	\$ 163,983	\$ 157,016	\$ 149,486	\$ 634,394	\$ 634,394	\$ 497,277	\$ 345,111	\$ 256,392	\$ 256,392	\$ 181,740	\$ 119,149	\$ 47,466	\$ 47,466	\$ 47,466	\$ 2,878,864

**CITY OF LA CYGNE, KANSAS**  
**REGULATORY-REQUIRED**  
**SUPPLEMENTARY INFORMATION**

For the Year Ended December 31, 2015

CITY OF LA CYGNE, KANSAS

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures		Variance - Over (Under)
				Charged to Current Year Budget		
<b>GOVERNMENTAL TYPE FUNDS</b>						
General Fund	\$ 913,967.00	\$ -	\$ 913,967.00	\$ 483,948.40	\$	(430,018.60)
Special Revenue Funds						
Special Highway	43,890.00	-	43,890.00	26,157.77		(17,732.23)
Special Park and Pool	72,335.00	-	72,335.00	60,388.50		(11,946.50)
Special Park and Recreation	19,466.00	-	19,466.00	218.36		(19,247.64)
Oak Lawn Cemetery	19,650.00	-	19,650.00	16,068.23		(3,581.77)
Employee Benefit	298,570.00	-	298,570.00	296,261.00		(2,309.00)
Park and Pool Sales Tax	243,675.00	-	243,675.00	203,675.76		(39,999.24)
Debt Service Fund						
General Bond and Interest	42,448.00	-	42,448.00	42,352.50		(95.50)
<b>PROPRIETARY TYPE FUNDS</b>						
Enterprise Funds						
Gas Utility	920,940.00	825,000.00	1,745,940.00	1,199,556.41		(546,383.59)
Water Utility	816,113.00	-	816,113.00	263,503.29		(552,609.71)
Sewer Utility	133,511.00	-	133,511.00	100,012.56		(33,498.44)
Solid Waste Utility	14,660.00	-	14,660.00	12,212.80		(2,447.20)
<b>FIDUCIARY TYPE FUNDS</b>						
Trust Funds						
Pollman Cemetery	1,250.00	-	1,250.00	456.60		(793.40)
	<u>\$ 3,540,475.00</u>					

CITY OF LA CYGNE, KANSAS  
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Taxes			
Ad Valorem property tax	\$ 164,801.53	\$ 164,171.00	\$ 630.53
Delinquent tax	18,327.73	-	18,327.73
Motor vehicle tax	23,023.46	24,533.00	(1,509.54)
Franchise taxes	28,702.22	25,000.00	3,702.22
Sales tax	239,196.85	190,000.00	49,196.85
Local alcohol tax	3,003.40	3,384.00	(380.60)
Intergovernmental			
Compactor appropriation	3,900.00	3,900.00	-
Fines, Forfeitures and Penalties	49,220.08	37,785.00	11,435.08
Licenses and Permits			
Dog licenses	1,356.00	1,000.00	356.00
Other	2,841.00	1,500.00	1,341.00
Use of Money and Property			
Interest	2,329.31	1,000.00	1,329.31
Proceeds from lease purchase	-	-	-
Other			
Community building	1,655.00	1,500.00	155.00
Swanfest receipts	1,485.80	2,000.00	(514.20)
Miscellaneous	9,461.75	17,000.00	(7,538.25)
Operating Transfers from Other Funds			
Employee Benefits Fund	126,738.00	-	126,738.00
Total Receipts	<u>676,042.13</u>	<u>\$ 472,773.00</u>	<u>\$ 203,269.13</u>

**CITY OF LA CYGNE, KANSAS  
GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance - Over (Under)
	Actual	Budget	
Expenditures			
General			
Personal services	\$ 31,579.76	\$ 28,077.00	\$ 3,502.76
Contractual services	38,547.42	38,713.00	(165.58)
Commodities	7,825.89	11,478.00	(3,652.11)
Capital Outlay	7,035.00	30,662.00	(23,627.00)
General - Swan Fest			
Contractual services	1,210.88	2,300.00	(1,089.12)
Commodities	3,624.92	2,300.00	1,324.92
Public Safety - Police			
Personal services	129,731.33	107,600.00	22,131.33
Contractual services	29,648.17	43,210.00	(13,561.83)
Commodities	18,393.86	40,350.00	(21,956.14)
Capital Outlay	33,907.96	36,170.00	(2,262.04)
Public Safety - Fire			
Personal services	6,970.00	11,750.00	(4,780.00)
Contractual services	12,915.16	25,550.00	(12,634.84)
Commodities	6,633.55	20,025.00	(13,391.45)
Capital Outlay	-	10,460.00	(10,460.00)
Highways and Streets			
Personal services	2,553.96	9,000.00	(6,446.04)
Contractual services	10,156.40	28,403.00	(18,246.60)
Commodities	9,636.32	72,062.00	(62,425.68)
Capital Outlay	-	265,650.00	(265,650.00)
Cultural and Recreation - Community Building			
Personal services	140.12	150.00	(9.88)
Contractual services	6,970.22	11,435.00	(4,464.78)
Commodities	466.39	842.00	(375.61)
Capital Outlay	-	-	-
Public Cemetery			
Contractual services	17,260.00	17,260.00	-
Public Health			
Personal services	16,288.32	17,285.00	(996.68)
Contractual services	-	-	-
Commodities	-	-	-

**CITY OF LA CYGNE, KANSAS  
GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance - Over (Under)
	Actual	Budget	
Expenditures (Continued)			
Emergency Preparedness			
Personal services	\$ -	\$ -	\$ -
Contractual services	-	1,000.00	(1,000.00)
Commodities	3,746.54	3,500.00	246.54
Debt Service on Capital Lease			
Lease payment	17,706.23	17,735.00	(28.77)
Operating Transfers to Other Funds			
Equipment Reserve	40,500.00	30,500.00	10,000.00
Capital Improvement	30,500.00	30,500.00	-
Total Expenditures	<u>483,948.40</u>	<u>913,967.00</u>	<u>(430,018.60)</u>
Qualifying Budget Credits			
Reimbursed Expenses	-	-	-
Total Expenditures	<u>483,948.40</u>	<u>\$ 913,967.00</u>	<u>\$ (430,018.60)</u>
Receipts Over (Under) Expenditures	192,093.73		
Unencumbered Cash, Beginning	<u>499,994.19</u>		
Unencumbered Cash, Ending	<u>\$ 692,087.92</u>		

**CITY OF LA CYGNE, KANSAS**  
**SPECIAL HIGHWAY FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Intergovernmental			
State gasoline tax	\$ 29,431.44	\$ 28,750.00	\$ 681.44
Use of Money and Property			
Interest	41.74	15.00	26.74
Other			
Miscellaneous	-	-	-
Total Receipts	<u>29,473.18</u>	<u>\$ 28,765.00</u>	<u>\$ 708.18</u>
Expenditures			
Streets and Highways			
Personal services	24,479.77	\$ 31,890.00	\$ (7,410.23)
Contractual services	105.00	6,000.00	(5,895.00)
Commodities	1,573.00	6,000.00	(4,427.00)
Total Expenditures	<u>26,157.77</u>	<u>\$ 43,890.00</u>	<u>\$ (17,732.23)</u>
Receipts Over (Under) Expenditures	3,315.41		
Unencumbered Cash, Beginning	<u>20,388.96</u>		
Unencumbered Cash, Ending	<u>\$ 23,704.37</u>		

**CITY OF LA CYGNE, KANSAS**  
**SPECIAL PARK AND POOL FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
<b>Receipts</b>			
Intergovernmental			
Lincoln Township appropriation	\$ 50,000.00	\$ 52,800.00	\$ (2,800.00)
Use of Money and Property			
Interest	109.65	51.00	58.65
Other			
Pool receipts	13,024.78	14,000.00	(975.22)
Camping fees	5,668.00	2,300.00	3,368.00
Miscellaneous	1,052.67	300.00	752.67
<b>Total Receipts</b>	<u>69,855.10</u>	<u>\$ 69,451.00</u>	<u>\$ 404.10</u>
<b>Expenditures</b>			
Cultural and Recreation - Park			
Personal services	8,873.10	\$ 9,100.00	\$ (226.90)
Contractual services	6,918.57	7,700.00	(781.43)
Commodities	3,548.20	4,600.00	(1,051.80)
Capital Outlay	555.45	1,000.00	(444.55)
Cultural and Recreation - Pool			
Personal services	23,383.92	27,500.00	(4,116.08)
Contractual services	8,174.43	8,735.00	(560.57)
Commodities	8,934.83	12,900.00	(3,965.17)
Capital Outlay	-	800.00	(800.00)
<b>Total Expenditures</b>	<u>60,388.50</u>	<u>\$ 72,335.00</u>	<u>\$ (11,946.50)</u>
Receipts Over (Under) Expenditures	9,466.60		
Unencumbered Cash, Beginning	<u>8,306.57</u>		
Unencumbered Cash, Ending	<u>\$ 17,773.17</u>		



**CITY OF LA CYGNE, KANSAS**  
**SPECIAL PARK AND RECREATION FUND**  
Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Use of Money and Property			
Interest	\$ 43.00	\$ 40.00	\$ 3.00
Taxes			
Local alcohol tax	3,003.39	3,384.00	(380.61)
Intergovernmental			
County park appropriation	800.00	-	800.00
<b>Total Receipts</b>	<b>3,846.39</b>	<b>\$ 3,424.00</b>	<b>\$ 422.39</b>
Expenditures			
Recreation			
Contractual services	13.22	\$ 3,000.00	\$ (2,986.78)
Commodities	205.14	16,466.00	(16,260.86)
<b>Total Expenditures</b>	<b>218.36</b>	<b>\$ 19,466.00</b>	<b>\$ (19,247.64)</b>
Receipts Over (Under) Expenditures	3,628.03		
Unencumbered Cash, Beginning	22,015.21		
Unencumbered Cash, Ending	<u>\$ 25,643.24</u>		

**CITY OF LA CYGNE, KANSAS**  
**OAK LAWN CEMETERY FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Use of Money and Property			
Interest	\$ 9.16	\$ 10.00	\$ (0.84)
Lot Sales	200.00	200.00	-
Other			
Reimbursed expenses - General	17,260.00	17,260.00	-
Reimbursed expenses - Pollman	456.60	1,250.00	(793.40)
Miscellaneous	18.64	-	18.64
Total Receipts	<u>17,944.40</u>	<u>\$ 18,720.00</u>	<u>\$ (775.60)</u>
Expenditures			
General			
Personal services	10,722.61	\$ 13,650.00	\$ (2,927.39)
Contractual services	2,803.69	3,000.00	(196.31)
Commodities	2,541.93	3,000.00	(458.07)
Total Expenditures	<u>16,068.23</u>	<u>\$ 19,650.00</u>	<u>\$ (3,581.77)</u>
Receipts Over (Under) Expenditures	1,876.17		
Unencumbered Cash, Beginning	<u>1,063.13</u>		
Unencumbered Cash, Ending	<u>\$ 2,939.30</u>		

**CITY OF LA CYGNE, KANSAS**  
**EMPLOYEE BENEFIT FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Taxes			
Ad Valorem property tax	\$ 232,061.66	\$ 231,260.00	\$ 801.66
Delinquent tax	16,536.00	-	16,536.00
Motor vehicle tax	26,277.73	21,544.00	4,733.73
Use of Money and Property			
Interest	529.41	-	529.41
Use of Money and Property			
Proceeds from Bonds	2,622.21	-	2,622.21
<b>Total Receipts</b>	<b>278,027.01</b>	<b>\$ 252,804.00</b>	<b>\$ 25,223.01</b>
Expenditures			
Employee Benefits			
Contractual services			
Retirement	35,848.35	\$ 35,143.00	\$ 705.35
Social Security	32,408.39	38,837.00	(6,428.61)
Unemployment	6,666.68	11,955.00	(5,288.32)
Worker's Compensation	10,932.00	27,255.00	(16,323.00)
Health Insurance	82,611.73	145,380.00	(62,768.27)
Insurance Reserve	-	40,000.00	(40,000.00)
Miscellaneous	1,055.85	-	1,055.85
Operating Transfer to Other Funds			
General Fund	126,738.00	-	126,738.00
<b>Total Expenditures</b>	<b>296,261.00</b>	<b>\$ 298,570.00</b>	<b>\$ (2,309.00)</b>
Receipts Over (Under) Expenditures	(18,233.99)		
Unencumbered Cash, Beginning	113,850.10		
Unencumbered Cash, Ending	<u>\$ 95,616.11</u>		

**CITY OF LA CYGNE, KANSAS**  
**SPECIAL POOL RESERVE FUND**  
 Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
 For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Use of Money and Property	
Interest	\$ 153.55
Total Receipts	153.55
Expenditures	
Cultural and Recreation - Pool	
Capital Outlay	-
Total Expenditures	-
Receipts Over (Under) Expenditures	153.55
Unencumbered Cash, Beginning	28,234.03
Unencumbered Cash, Ending	\$ 28,387.58

**CITY OF LA CYGNE, KANSAS**  
**EQUIPMENT RESERVE FUND**  
 Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
 For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Operating Transfers from Other Funds	
General	\$ 40,500.00
Total Receipts	40,500.00
Expenditures	
Commodities	-
Capital Outlays	-
Total Expenditures	-
Receipts Over (Under) Expenditures	40,500.00
Unencumbered Cash, Beginning	132,049.45
Unencumbered Cash, Ending	\$ 172,549.45

**CITY OF LA CYGNE, KANSAS**  
**CAPITAL IMPROVEMENT FUND**  
 Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
 For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Operating Transfers from Other Funds	
General	\$ 30,500.00
Total Receipts	30,500.00
Expenditures	
Capital Outlays	39,524.55
Total Expenditures	39,524.55
Receipts Over (Under) Expenditures	(9,024.55)
Unencumbered Cash, Beginning	173,965.74
Unencumbered Cash, Ending	\$ 164,941.19

**CITY OF LA CYGNE, KANSAS**  
**PARK AND POOL SALES TAX FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Taxes			
Sales Tax	\$ 239,196.81	\$ 190,000.00	\$ 49,196.81
Use of Money and Property			
Interest	3,715.30	4,000.00	(284.70)
Total Receipts	<u>242,912.11</u>	<u>\$ 194,000.00</u>	<u>\$ 48,912.11</u>
Expenditures			
Capital Outlays - Pool	90,000.76	\$ 130,000.00	\$ (39,999.24)
Debt Service on Bond			
Principal	45,000.00	45,000.00	-
Interest	68,675.00	68,675.00	-
Total Expenditures	<u>203,675.76</u>	<u>\$ 243,675.00</u>	<u>\$ (39,999.24)</u>
Receipts Over (Under) Expenditures	39,236.35		
Unencumbered Cash, Beginning	<u>516,809.77</u>		
Unencumbered Cash, Ending	<u>\$ 556,046.12</u>		

**CITY OF LA CYGNE, KANSAS**  
**SIDEWALK CAPITAL PROJECT FUND**  
 Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
 For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Other	
Reimbursed expenses - Cap Imp Fund	\$ 35,000.00
Total Receipts	35,000.00
Expenditures	
Capital Outlays	29,900.00
Total Expenditures	29,900.00
Receipts Over (Under) Expenditures	5,100.00
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	\$ 5,100.00



**CITY OF LA CYGNE, KANSAS**  
**WATER PROJECT PHASE I FUND**  
Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Intergovernmental	
CDBG Grant	\$ 3,000.00
Use of Money and Property	
Proceeds from Bonds	347,000.00
Total Receipts	350,000.00
Expenditures	
Capital Outlays	134,301.25
Total Expenditures	134,301.25
Receipts Over (Under) Expenditures	215,698.75
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	\$ 215,698.75

**CITY OF LA CYGNE, KANSAS**  
**WATER PROJECT PHASE II FUND**  
 Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
 For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Use of Money and Property	
Proceeds from Bonds	\$ 2,603,000.00
Other	
Miscellaneous	-
Total Receipts	2,603,000.00
Expenditures	
Capital Outlays	674,688.75
Total Expenditures	674,688.75
Receipts Over (Under) Expenditures	1,928,311.25
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	\$ 1,928,311.25

**CITY OF LA CYGNE, KANSAS**  
**GENERAL BOND AND INTEREST FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Use of Money and Property			
Interest	\$ 58.55	\$ 70.00	\$ (11.45)
Other			
Debt Service Charges-Rural Water	42,347.50	42,349.00	(1.50)
Total Receipts	<u>42,406.05</u>	<u>\$ 42,419.00</u>	<u>\$ (12.95)</u>
Expenditures			
Debt Service			
Principal	30,000.00	\$ 30,000.00	\$ -
Interest	12,347.50	12,348.00	(0.50)
Other	5.00	100.00	(95.00)
Total Expenditures	<u>42,352.50</u>	<u>\$ 42,448.00</u>	<u>\$ (95.50)</u>
Receipts Over (Under) Expenditures	53.55		
Unencumbered Cash, Beginning	<u>20,308.58</u>		
Unencumbered Cash, Ending	<u>\$ 20,362.13</u>		

**CITY OF LA CYGNE, KANSAS**  
**GAS UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Operating Income			
Gas sales	\$ 557,115.09	\$ 600,000.00	\$ (42,884.91)
Penalties	5,475.97	7,500.00	(2,024.03)
Miscellaneous	5,129.58	7,500.00	(2,370.42)
Use of Money and Property			
Interest	1,934.78	1,550.00	384.78
Proceeds from Refunding Bonds	825,000.00	-	825,000.00
Other			
Customer deposits	9,176.00	7,500.00	1,676.00
Sales tax	9,900.06	12,500.00	(2,599.94)
<b>Total Receipts</b>	<b>1,413,731.48</b>	<b>\$ 636,550.00</b>	<b>\$ 777,181.48</b>
Expenditures			
Acquisition and Distribution			
Personal services	40,930.14	\$ 56,175.00	\$ (15,244.86)
Contractual services	34,371.43	25,000.00	9,371.43
Commodities	197,873.83	422,000.00	(224,126.17)
Nonoperating Expenses			
Sales tax	12,325.62	17,500.00	(5,174.38)
Customer deposits	6,436.60	8,800.00	(2,363.40)
Capital Outlays	2,134.30	246,675.00	(244,540.70)
Debt Service on Bonds			
Principal	875,000.00	115,000.00	760,000.00
Interest	16,028.47	27,595.00	(11,566.53)
Other	12,270.69		12,270.69
Debt Service on Capital Leases	2,185.33	2,195.00	(9.67)
<b>Total Expenditures</b>	<b>1,199,556.41</b>	<b>920,940.00</b>	<b>278,616.41</b>
Qualifying Budget Credits			
Bonds issued to refinance old bonds	-	825,000.00	(825,000.00)
<b>Total Expenditures</b>	<b>1,199,556.41</b>	<b>\$ 1,745,940.00</b>	<b>\$ (546,383.59)</b>
Receipts Over (Under) Expenditures	214,175.07		
Unencumbered Cash, Beginning	331,493.05		
Unencumbered Cash, Ending	\$ 545,668.12		

**CITY OF LA CYGNE, KANSAS**  
**WATER UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Operating Income			
Water sales	\$ 356,278.71	\$ 321,000.00	\$ 35,278.71
Penalties	6,735.80	4,650.00	2,085.80
Miscellaneous	16,444.74	500.00	15,944.74
Use of Money and Property			
Interest	3,936.22	850.00	3,086.22
Other			
Customer deposits	5,175.00	4,000.00	1,175.00
Sales and protection taxes	5,815.05	4,150.00	1,665.05
<b>Total Receipts</b>	<b>394,385.52</b>	<b>\$ 335,150.00</b>	<b>\$ 59,235.52</b>
Expenditures			
Water Production			
Personal services	61,011.67	\$ 64,500.00	\$ (3,488.33)
Contractual services	42,816.00	85,550.00	(42,734.00)
Commodities	46,007.20	75,000.00	(28,992.80)
Water Distribution			
Personal services	44,271.33	45,500.00	(1,228.67)
Contractual services	39,315.29	34,500.00	4,815.29
Commodities	15,030.52	25,050.00	(10,019.48)
Nonoperating Expenses			
Deposit	3,473.94	3,850.00	(376.06)
Sales and protection taxes	7,257.69	5,390.00	1,867.69
Capital Outlays			
Water Production	-	192,470.00	(192,470.00)
Water Distribution	2,134.30	282,108.00	(279,973.70)
Debt Service on Capital Leases			
Lease payment	2,185.35	2,195.00	(9.65)
<b>Total Expenditures</b>	<b>263,503.29</b>	<b>\$ 816,113.00</b>	<b>\$ (552,609.71)</b>
Receipts Over (Under) Expenditures	130,882.23		
Unencumbered Cash, Beginning	535,819.47		
Unencumbered Cash, Ending	<u>\$ 666,701.70</u>		

CITY OF LA CYGNE, KANSAS  
SEWER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Operating Income			
Sewer charges	\$ 101,506.96	\$ 112,000.00	\$ (10,493.04)
Penalties	2,962.84	2,800.00	162.84
Miscellaneous	596.42	-	596.42
Use of Money and Property			
Interest	171.61	130.00	41.61
<b>Total Receipts</b>	<b>105,237.83</b>	<b>\$ 114,930.00</b>	<b>\$ (9,692.17)</b>
Expenditures			
Collection and Disposal			
Personal services	24,420.01	\$ 35,000.00	\$ (10,579.99)
Contractual services	19,630.00	26,400.00	(6,770.00)
Commodities	15,251.02	18,000.00	(2,748.98)
Capital Outlays	-	13,390.00	(13,390.00)
Debt Service on Capital Leases			
Lease payment	2,185.33	2,195.00	(9.67)
Debt Service on Revolving Loan			
Principal	30,321.75	30,322.00	(0.25)
Interest	8,204.45	8,204.00	0.45
Other	-	-	-
<b>Total Expenditures</b>	<b>100,012.56</b>	<b>\$ 133,511.00</b>	<b>\$ (33,498.44)</b>
Receipts Over (Under) Expenditures	5,225.27		
Unencumbered Cash, Beginning	28,363.53		
Unencumbered Cash, Ending	<b>\$ 33,588.80</b>		

**CITY OF LA CYGNE, KANSAS**  
**SOLID WASTE UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Operating Income			
Customer service	\$ 9,710.33	\$ 9,500.00	\$ 210.33
Use of Money and Property			
Interest	11.61	16.00	(4.39)
Other			
Miscellaneous	519.00	700.00	(181.00)
<b>Total Receipts</b>	<u>10,240.94</u>	<u>\$ 10,216.00</u>	<u>\$ 24.94</u>
Expenditures			
Collection and Disposal			
Contractual services	12,212.80	\$ 14,660.00	\$ (2,447.20)
<b>Total Expenditures</b>	<u>12,212.80</u>	<u>\$ 14,660.00</u>	<u>\$ (2,447.20)</u>
Receipts Over (Under) Expenditures	(1,971.86)		
Unencumbered Cash, Beginning	<u>8,571.81</u>		
Unencumbered Cash, Ending	<u>\$ 6,599.95</u>		

**CITY OF LA CYGNE, KANSAS**  
**POLLMAN CEMETERY FUND**

Schedule of Receipts and Expenditures - Actual and Budget, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year		Variance Over (Under)
	Actual	Budget	
Receipts			
Use of Money and Property			
Lot sales	\$ 1,600.00	\$ 1,000.00	\$ 600.00
Interest	478.44	1,000.00	(521.56)
<b>Total Receipts</b>	<b>2,078.44</b>	<b>\$ 2,000.00</b>	<b>\$ 78.44</b>
Expenditures			
Cemeteries			
Contractual services	456.60	\$ 1,250.00	\$ (793.40)
<b>Total Expenditures</b>	<b>456.60</b>	<b>\$ 1,250.00</b>	<b>\$ (793.40)</b>
Receipts Over (Under) Expenditures	1,621.84		
Unencumbered Cash, Beginning	49,476.70		
Unencumbered Cash, Ending	<u>\$ 51,098.54</u>		



**CITY OF LA CYGNE, KANSAS**  
**ENERGY ASSISTANCE FUND**  
Schedule of Receipts and Expenditures - Actual, Regulatory Basis  
For the Year Ended December 31, 2015

	Current Year Actual
Receipts	
Reimbursements from the State of Kansas	\$ 6,467.01
Total Receipts	6,467.01
Expenditures	
Health and Welfare Contractual services	6,467.01
Total Expenditures	6,467.01
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	\$ -