

**CITY OF MT. VERNON, KENTUCKY
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1998**

Water and Sewer Fund

Cash flows from operating activities:	
Operating income (loss)	\$227,448
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization (increase) decrease in:	151,538
Accounts receivable	< 1,646>
Interest receivable	< 1,269>
Prepaid expenses	< 212>
Deferred charges	<103,472>
Increase (decrease) in:	
Accounts payable	619,769
Due to/from other funds	< 65,561>
Accrued Expenses	4,242
Net cash provided by operating activities	830,537
Cash flows from investing activities:	
Additions to property, plant and equipment	<1,634,630>
Interest on investments	14,519
Net cash (used) by investing activities	<1,620,112>
Cash flows from financing activities:	
Grant revenue receivable	350,000
New borrowings:	
Long term	3,589,148
Debt reduction:	
Principal payments on short-term debt	< 38,280>
Principal payments on long-term debt	< 67,231>
Interest payments on long-term debt	< 55,687>
Net cash provided by financing activities	4,146,462
Net increase in cash	3,356,887
Cash and cash equivalents, beginning of year	601,080
Cash and cash equivalents, end of year	\$3,952,967

SUPPLEMENTAL SCHEDULES

**CITY OF MT. VERNON, KENTUCKY
COMBINED BALANCE SHEET - ALL SPECIAL REVENUE FUND TYPES
JUNE 30, 1998**

	Municipal Road Aid	Local Government Economic Assistance	Urban Development Action Grant	Totals (Memorandum Only)
ASSETS				
Cash - Restricted	\$ 57,066	\$11,240	\$ 4,865	\$ 73,171
Note Receivable	67,290		67,290	134,580
Due from General Fund	24,444		122,000	146,444
Due from Water and Sewer Fund	22,326			22,326
Total Assets	\$126,226	\$11,240	\$133,155	\$270,621
LIABILITIES AND FUND EQUITY				
Liabilities:				
Due to Other Funds	\$18,160	\$	\$	\$18,160
Total liabilities	\$18,160			\$18,160
Fund Equity:				
Designated for street repair	117,366			117,366
Designated for economic development activities		11,240	122,155	233,381
Total fund equity	117,366	11,240	122,155	250,761
Total liabilities and fund equity	\$126,226	\$11,240	\$133,155	\$270,621

**CITY OF MT. VERNON, KENTUCKY
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUND TYPES
FOR THE YEAR ENDED JUNE 30, 1998**

	Municipal Road Aid	Local Government Economic Assistance	Urban Development Action Grant	Totals (Memorandum Only)
Revenues:				
Intergovernmental revenues	\$ 89,114	\$ 4,349	\$	\$ 93,463
Coal and mineral grants	832		2,388	3,220
Interest income	89,731	4,662	2,288	96,681
Total Revenues	89,731	4,662	2,288	96,681
Expenditures:				
Highway and streets	51,363			51,363
Total expenditures	51,363			51,363
Other financing sources (uses):				
Operating transfers in (out)		500	<11,042>	<10,542>
Excess of revenues over (under) expenditures and other uses	< 1,531>	4,162	< 8,754>	< 6,123>
Fund balances, beginning of year	118,887	2,888	201,388	323,163
Fund balances, end of year	\$117,356	\$11,240	\$183,155	\$211,751

**CITY OF MT. VERNON, KENTUCKY
SCHEDULE OF REVENUE AND EXPENSES BY DEPARTMENTS
WATER AND SEWER FUND
FOR THE YEAR ENDED JUNE 30, 1998**

	Water	Sewer	Total
Operating revenues:			
Sales and service (exclusive of tax)	\$629,707	\$412,094	\$1,041,801
Other income	1,842	1,602	3,444
Total operating revenues	631,549	413,697	1,045,246
Operating expenses:			
Wages	175,036	85,222	260,258
Employee benefits and taxes	69,243	44,431	113,674
Operating expenses	122,247	26,624	148,871
Office expenses	6,244	2,247	8,491
Repairs and maintenance	7,121	3,486	10,607
Utilities	76,539	22,166	98,705
Depreciation	37,211	110,390	147,601
Insurance	6,797	5,378	12,175
Contracted services	8,939	3,815	12,754
Small tools and equipment	1,399	1,182	2,581
Miscellaneous	4,282	973	5,255
Total Operating expenses	516,244	295,824	812,068

Operating income	118,605	108,843	227,448
Non-operating revenues (expenses):			
Interest on investments	14,463		14,463
Interest on revenue bonds	< 12,710>	< 52,957>	< 65,667>
Amortization		< 3,937>	< 3,937>
Grant Revenue		150,000	150,000
Total non-operating revenues (expenses)	1,733	<231,182>	<229,449>
Net income (loss) before other financing sources (uses)	\$120,338	\$422,025	\$542,363

**CITY OF MT. VERNON, KENTUCKY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
JUNE 30, 1998**

Water and Sewer Fund - Revenue Bonds, 1969 Issues

Year	Series A Bonds Principal	Interest	Series B Bonds Principal	Interest	Total
1999	\$ 16,000	\$ 8,910	\$ 5,000	\$ 3,373	\$ 33,283
2000	17,000	8,250	5,000	3,135	33,385
2001	17,000	7,548	6,000	2,898	33,446
2002	18,000	6,846	6,000	2,662	33,460
2003	19,000	6,105	6,000	2,327	33,432
2004	19,000	5,321	6,000	2,042	32,363
2005	20,000	4,538	7,000	1,757	33,295
2006	21,000	3,712	7,000	1,425	33,137
2007	22,000	2,846	7,000	1,092	32,938
2008	23,000	1,939	8,000	760	33,699
2009	24,000	920	8,000	300	33,220
Total	\$216,000	\$57,007	\$71,000	\$21,721	\$365,728

**CITY OF MT. VERNON, KENTUCKY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
JUNE 30, 1998**

Fund	Year	Principal	Annual Interest	Total
Water and Sewer Fund				
Kentucky Pollution	1999	\$ 29,013	\$ 31,473	\$ 60,486
Abatement and Water	2000	31,203	29,584	60,787
Resources Finance	2001	33,392	27,306	60,698
Authority Loan	2002	36,129	24,835	60,964
	2003	38,866	22,125	60,991
	2004	42,151	19,172	61,323
	2005	45,435	15,884	61,319
	2006	48,720	12,340	61,060
	2007	52,552	8,540	61,092
	2008	56,331	4,441	61,372
Total		\$414,392	\$195,900	\$610,292

**CITY OF MT. VERNON, KENTUCKY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
JUNE 30, 1998**

Fund	Year	Principal	Annual Interest	Total
Water and Sewer				
Kentucky	1999	\$ 20,551	\$11,886	\$ 32,437
Infrastructure	2000	21,266	11,129	32,395
Authority Loan	2001	22,006	10,346	32,352
	2002	22,772	9,536	32,308
	2003	23,565	8,687	32,252
	2004	24,385	7,830	32,215
	2005	25,233	6,932	32,165
	2006	26,111	6,003	32,114
	2007	27,020	5,042	32,062
	2008	27,960	4,047	32,007
	2009	28,933	3,018	31,951
	2010	29,940	1,953	31,893
	2011	30,982	850	31,832
Total		\$310,724	\$87,269	\$417,993

**CITY OF MT. VERNON, KENTUCKY
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
JUNE 30, 1998**

FUND	Year	Principal	Annual Interest	Debt Service	Total
Water and Sewer Kentucky					
Infrastructure	1999	\$25,699	\$10,913	\$1,213	\$37,825
Authority Loan	2000	26,165	10,447	1,161	37,773
	2001	26,637	9,975	1,108	37,720
	2002	27,119	9,493	1,055	37,667
	2003	27,609	9,003	1,000	37,612
	2004	28,109	8,503	945	37,557
	2005	28,617	7,995	888	37,500
	2006	29,134	7,478	831	37,443
	2007	29,661	6,951	772	37,384
	2008	30,197	6,415	713	37,325
	2009	30,743	5,869	652	37,264
	2010	31,299	5,313	590	37,202
	2011	31,865	4,747	527	37,139
	2012	32,441	4,171	463	37,075
	2013	33,028	3,584	398	37,010
	2014	33,625	2,987	332	36,944
	2015	34,233	2,379	264	36,876
	2016	34,852	1,760	196	36,808
	2017	35,482	1,130	125	36,737
	2018	36,124	488	54	36,666
Total		\$612,640	\$119,601	\$11,282	\$743,523

**CITY OF MT. VERNON, KENTUCKY
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 1998**

Federal Grantor/ Program Title	Federal CFDA Number	Program or award Amount	Revenue Recognized	Expenditures
U.S. Department of Agriculture				
ARC Grant	10.400	\$350,000	\$350,000	\$350,000
KY Infrastructure Authority	10.400	\$12,000	\$12,000	\$12,000
Totals		\$362,000	\$362,000	\$362,000

(Cont. to B2)