

**CITY OF DOWNS, KANSAS  
FINANCIAL STATEMENT  
FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**CITY OF DOWNS, KANSAS  
CITY OF THE THIRD CLASS  
For The Year Ended December 31, 2019**

John Bisnette, Mayor

**CITY COUNCIL**

Charlie Stevens

Evan Joy

Tonya Kuhn

Jane VanDonge

Devin Renken

**CITY OFFICERS**

Cynthia Shanley, Clerk

Kathy McCart, Assistant Clerk

Bruce Berkley, Attorney

David Draayer, Treasurer

**CITY OF DOWNS, KANSAS**

**For the Year Ended December 31, 2019**

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**CITY OF DOWNS, KANSAS**

**For the Year Ended December 31, 2019**

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of Downs, Kansas 67437

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Downs, a Municipality as of and for the year ended December 31, 2019, 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.

### *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 Downs 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.

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*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 fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Downs as of December 31, 2019, 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 Downs as of December 31, 2019, 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 2019 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, and schedule of regulatory basis receipts and disbursements-agency fund, (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the 2019 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 2019 basic financial statement. The 2019 information has been subjected to the auditing procedures applied in the audit of the 2019 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 2019 basic financial statement or to the 2019 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 2019 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 the City of Downs as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated June 25, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 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://www.admin.ks.gov/offices/oar/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2019 (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 2018 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 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 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, 2018, on the basis of accounting described in Note 1.

*Swindoll, Janzen, Hawk & Loyd, LLC*

Swindoll, Janzen, Hawk & Loyd, LLC  
McPherson, KS

July 28, 2020

## CITY OF DOWNS, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH****Regulatory Basis**

For the Year Ended December 31, 2019

|   | <u>Beginning<br/>Unencumbered<br/>Cash Balance</u> | <u>Receipts</u> | <u>Expenditures</u> | <u>Ending<br/>Unencumbered<br/>Cash Balance</u> | <u>Add<br/>Encumbrances<br/>and Accounts<br/>Payable</u> | <u>Ending<br/>Cash Balance</u> |
|---|--|-----------------|---------------------|---|--|--------------------------------|
| GENERAL FUND:                                     |  |                 |                     |   |  |                                |
| General Fund                                      | \$ 277,439   | \$ 614,393      | \$ 660,578          | \$ 231,254                                      | \$ 10,211  | \$ 241,465                     |
| SPECIAL PURPOSE FUNDS:                            |  |                 |                     |   |  |                                |
| Cemetery Fund                                     | 8,502  | 368             | 93                  | 8,777   | -  | 8,777                          |
| Industrial Promotion Fund                         | 2,089  | 4,945           | -                   | 7,034   | -  | 7,034                          |
| Library Fund                                      | -  | 23,056          | 23,056              | -   | -  | -                              |
| Special Highway Fund                              | 98,103   | 22,835          | 18,801              | 102,137   | -  | 102,137                        |
| Special Parks and Recreation Fund                 | 3,410  | 993             | 2,320               | 2,083   | -  | 2,083                          |
| Ambulance Fund                                    | 5,653  | -               | -                   | 5,653   | -  | 5,653                          |
| Equipment Reserve Fund                            | 14,152   | -               | -                   | 14,152  | -  | 14,152                         |
| Freda Collar Trust Fund                           | 2,132  | -               | -                   | 2,132   | -  | 2,132                          |
| Memorial Hall Fund                                | 149,299  | 25,000          | 135,618             | 38,681  | -  | 38,681                         |
| Memorial Park Trust Fund                          | 2,301  | 250             | -                   | 2,551   | -  | 2,551                          |
| Sypulski Trust Fund                               | 33,830   | -               | -                   | 33,830  | -  | 33,830                         |
| Truck Route Fund                                  | 4,480  | -               | -                   | 4,480   | -  | 4,480                          |
| Geometric Street Project Fund                     | -  | 54,278          | 22,181              | 32,097  | 3,411  | 35,508                         |
| Total Special Purpose Funds                       | 323,951  | 131,725         | 202,069             | 253,607   | 3,411  | 257,018                        |
| BOND AND INTEREST FUND:                           |  |                 |                     |   |  |                                |
| Bond and Interest Fund                            | 7,112  | 126,081         | 129,969             | 3,224   | -  | 3,224                          |
| BUSINESS FUND:                                    |  |                 |                     |   |  |                                |
| Water and Sewer Utility Fund                      | 98,175   | 420,944         | 557,477             | (38,358)  | 18,221   | (20,137)                       |
| TRUST FUNDS:                                      |  |                 |                     |   |  |                                |
| Cemetery Endowment Fund                           | 18,067   | -               | -                   | 18,067  | -  | 18,067                         |
| Marie Thomas Trust Fund                           | 6,292  | -               | -                   | 6,292   | -  | 6,292                          |
| Total Trust Funds                                 | 24,359   | -               | -                   | 24,359  | -  | 24,359                         |
| Total Reporting Entity<br>(Excluding Agency Fund) | \$ 731,036   | \$ 1,293,143    | \$ 1,550,093        | \$ 474,086                                      | \$ 31,843  | \$ 505,929                     |
| COMPOSITION OF CASH:                              |  |                 |                     |   |  |                                |
| Petty Cash Account                                |  |                 |                     |   | \$   | 500                            |
| Cash in Drawer                                    |  |                 |                     |   |  | 150                            |
| Checking Account - State Bank of Downs            |  |                 |                     |   |  | 33,150                         |
| Money Market Accounts - State Bank of Downs       |  |                 |                     |   |  | 377,739                        |
| Certificates of Deposit - State Bank of Downs     |  |                 |                     |   |  | 134,324                        |
| Checking Account - Guaranty State Bank            |  |                 |                     |   |  | 1,500                          |
| Total Cash  |  |                 |                     |   |  | 547,363                        |
| Less Agency Fund per Schedule 3                   |  |                 |                     |   |  | (41,434)                       |
| Total Reporting Entity (Excluding Agency Fund)    |  |                 |                     |   |  | \$ 505,929                     |

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

# CITY OF DOWNS, KANSAS

## NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2019

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **(a) Municipal Financial Reporting Entity**

The City of Downs is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Downs, Kansas and does not include related municipal entities.

#### **(b) Regulatory Basis Fund Types**

**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 regulatory receipt 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.).

**Trust Fund** – 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.).

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

#### **(c) Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The *Kansas Municipal Audit and Accounting Guide* (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 City has approved a charter ordinance 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.



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

### *(d) 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 1st.
- 2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for 2019.

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 regulatory basis of accounting, in which regulatory receipts 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 budget expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds, Agency Funds, Trust Funds and certain Special Purpose Funds as noted in the presentation of the appropriate Schedule 2.

Spending in funds which are not subject to the legal annual operating budget requirement is 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*

According to K.S.A. 10-815, checks that are outstanding two years or more are to be canceled and restored to the fund originally charged. As of December 31, 2019, there were 5 checks that were outstanding for more than two years totaling \$289 contrary to statute.

A cash-basis violation occurred in the Water and Sewer Utility Fund of \$38,358 contrary to K.S.A. 10-1113.

A budget violation occurred in the Water and Sewer Utility Fund of \$203,185 contrary to K.S.A. 79-2935.

## 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 City is located, or in an adjoining county if such institution has been designated as an official depository, 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 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.

### 3. DEPOSITS AND INVESTMENTS (CONT.)

*Concentration of credit risk.* State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City does not have investments at December 31, 2019.

*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, 2019.

At December 31, 2019, the City's carrying amount of deposits was \$547,213 and the bank balance was \$566,473. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$251,500 was covered by federal depository insurance and the remaining \$314,973 was collateralized with securities held by the pledging financial institution's agents in the City's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

### 4. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2019, were as follows:

| Issue                             | Interest Rates | Date of Issue | Amount of Issue | Date of Final Maturity | Balance Beginning of Year | Additions | Reductions/ Payments | Balance End of Year | Interest Paid |
|-----------------------------------|----------------|---------------|-----------------|------------------------|---------------------------|-----------|----------------------|---------------------|---------------|
| Skid Steer Loader Lease Purchase  | 4.70%          | 11/29/19      | \$ 50,009       | 5/29/25                | \$ -                      | \$ 50,009 | \$ 4,726             | \$ 45,283           | \$ -          |
| KDHE Public Water Supply Loan     | 3.69%          | 8/1/06        | 436,873         | 2/1/26                 | 201,938                   | -         | 23,835               | 178,103             | 7,234         |
| KDHE Water Pollution Control Loan | 2.57%          | 3/1/09        | 1,189,333       | 9/1/28                 | 867,258                   | -         | 77,104               | 790,154             | 21,796        |
| Total Contractual Indebtedness    |                |               |                 |                        | \$ 1,069,196              | \$ 50,009 | \$ 105,665           | \$ 1,013,540        | \$ 29,030     |

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

|                                   | Year       |            |            |            |            |              |              |
|-----------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
|                                   | 2020       | 2021       | 2022       | 2023       | 2024       | 2025 to 2028 | Total        |
| PRINCIPAL:                        |            |            |            |            |            |              |              |
| Skid Steer Loader Lease Purchase  | \$ 7,389   | \$ 7,743   | \$ 8,115   | \$ 8,505   | \$ 8,914   | \$ 4,617     | \$ 45,283    |
| Kansas Public Water Supply Loan   | 24,722     | 25,643     | 26,598     | 27,589     | 28,616     | 44,935       | 178,103      |
| KDHE Water Pollution Control Loan | 79,098     | 81,144     | 83,242     | 85,396     | 87,604     | 373,670      | 790,154      |
| Total Principal                   | 111,209    | 114,530    | 117,955    | 121,490    | 125,134    | 423,222      | 1,013,540    |
| INTEREST:                         |            |            |            |            |            |              |              |
| Skid Steer Loader Lease Purchase  | 2,063      | 1,706      | 1,336      | 946        | 538        | 110          | 6,699        |
| KDHE Public Water Supply Loan     | 6,346      | 5,425      | 4,470      | 3,480      | 2,452      | 1,668        | 23,841       |
| KDHE Water Pollution Control Loan | 19,894     | 17,838     | 15,730     | 13,567     | 11,348     | 22,031       | 100,408      |
| Total Interest                    | 28,303     | 24,969     | 21,536     | 17,993     | 14,338     | 23,809       | 130,948      |
| TOTAL PRINCIPAL AND INTEREST      | \$ 139,512 | \$ 139,499 | \$ 139,491 | \$ 139,483 | \$ 139,472 | \$ 447,031   | \$ 1,144,488 |

### 5. DEFINED BENEFIT PENSION PLAN

**Plan Description.** The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. KPERs' financial statements are included in its Comprehensive Annual Financial Report which can be found on 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.

## 5. DEFINED BENEFIT PENSION PLAN (CONT.)

**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% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89% for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City were \$13,836 for the year ended December 31, 2019.

**Net Pension Liability.** At December 31, 2019, the City's proportionate share of the collective net pension liability reported by KPERS was \$99,102. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. 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](http://www.kpers.org) or can be obtained as described above.

## 6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

### **(a) Other Post Employment Benefits**

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 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 this financial statement.

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.

### **(b) Death and Disability Other Post Employment Benefits**

K.S.A. 74-4927, disabled members in 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, 2019.

### **(c) Other Employee Benefits**

Vacation – Vacation leave shall be earned and accrued from the most recent day of employment, but no vacation leave shall be granted until an employee has gained permanent status. Vacation time is not available until the completion of the employee's first year of employment. Vacation shall be taken only during scheduled work days and must be used within the following year in which it was earned and shall not carry over if unused. Upon termination in good standing, an employee shall be compensated for all accumulated unused vacation leave at their final rate of pay, subject to the maximum hours of accumulation.

Vacations will be allowed for full-time employees in the following manner:

**6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)**

**(c) Other Employee Benefits (Cont.)**

| <u>Years of Service</u>  | <u>Per Year</u>       |
|--------------------------|-----------------------|
| 1 year of service        | 5 working days        |
| 2 plus years of service  | 10 and ½ working days |
| 15 plus years of service | 15 and ½ working days |

Sick leave – All full-time permanent employees shall be entitled to sick leave with pay for absences resulting from personal illness, injuries, accidents or other physical incapacities, occurring either on or off the job. Employees shall earn one day of sick leave per month of service. Sick leave may be accumulated up to a total of 120 days. Up to a maximum of 120 days will be paid to employees at a rate equal to the federal minimum wage if the employee leaves employment with the City in good standing.

**7. CLAIMS AND JUDGMENTS**

The City desires to participate in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2018 to 2019 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City’s management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

**8. INTERFUND TRANSFERS**

Operating transfers were are as follows:

| <u>From</u>             | <u>To</u>         | <u>Regulatory Authority</u> | <u>Amount</u>    |
|-------------------------|-------------------|-----------------------------|------------------|
| Water and Sewer Utility | Bond and Interest | K.S.A. 12-825d              | \$ 70,000        |
| Water and Sewer Utility | General           | K.S.A. 12-825d              | <u>25,000</u>    |
|                         |                   |                             | <u>\$ 95,000</u> |

**9. SUBSEQUENT EVENTS**

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

In recent months, the coronavirus (COVID-19) outbreak in the United States has resulted in reduced customer traffic and the temporary closure of operating hours for our offices. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the City as of the date of this report, management believes that a material impact on the City’s financial position and results of future operations is reasonably possible.

**CITY OF DOWNS, KANSAS**  
**REGULATORY-REQUIRED**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

CITY OF DOWNS, KANSAS

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**

**(Budgeted Funds Only)**

For the Year Ended December 31, 2019

|                                   | <u>Certified<br/>Budget</u> | <u>Adjustment for<br/>for<br/>Qualifying<br/>Budget<br/>Credits</u> | <u>Total<br/>Budget for<br/>Comparison</u> | <u>Expenditures<br/>Chargeable<br/>to Current<br/>Year</u> | <u>Variance -<br/>Over<br/>(Under)</u> |
|-----------------------------------|-----------------------------|---|--|--|--|
| GENERAL FUND:                     |                             |   |  |  |  |
| General Fund                      | \$ 800,188                  | \$ -  | \$ 800,188                                 | \$ 660,578   | \$ (139,610)                           |
| SPECIAL PURPOSE FUNDS:            |                             |   |  |  |  |
| Cemetery Fund                     | 7,806                       | -   | 7,806                                      | 93   | (7,713)                                |
| Industrial Promotion Fund         | 5,928                       | -   | 5,928                                      | -  | (5,928)                                |
| Library Fund                      | 24,109                      | -   | 24,109                                     | 23,056   | (1,053)                                |
| Special Highway Fund              | 117,690                     | -   | 117,690                                    | 18,801   | (98,889)                               |
| Special Parks and Recreation Fund | 6,497                       | -   | 6,497                                      | 2,320  | (4,177)                                |
| BOND AND INTEREST FUND:           |                             |   |  |  |  |
| Bond and Interest Fund            | 134,222                     | -   | 134,222                                    | 129,969  | (4,253)                                |
| BUSINESS FUND:                    |                             |   |  |  |  |
| Water and Sewer Utility Fund      | 354,292                     | -   | 354,292                                    | 557,477  | 203,185                                |

CITY OF DOWNS, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|  | <u>2019</u>            |                |                | <b>Variance -<br/>Over<br/>(Under)</b> |
|--|------------------------|----------------|----------------|--|
|  | <u>2018<br/>Actual</u> | <u>Actual</u>  | <u>Budget</u>  |  |
| Receipts                               |                        |                |                |  |
| Taxes -                                |                        |                |                |  |
| Ad valorem property tax                | \$ 269,079             | \$ 263,080     | \$ 261,784     | \$ 1,296                               |
| Delinquent tax                         | 8,794                  | 4,617          | 3,000          | 1,617                                  |
| Motor vehicle tax                      | 47,779                 | 47,393         | 49,481         | (2,088)                                |
| Recreational vehicle tax               | 843                    | 1,106          | 803            | 303                                    |
| 16/20M vehicle tax                     | 328                    | 472            | 318            | 154                                    |
| Commercial vehicle tax                 | 2,583                  | 2,645          | 4,295          | (1,650)                                |
| Watercraft tax                         | 409                    | 450            | -              | 450                                    |
| In lieu of tax                         | 6,262                  | 3,403          | 5,000          | (1,597)                                |
| Intangible tax                         | -                      | -              | 11,109         | (11,109)                               |
| Special street                         | -                      | 1,050          | -              | 1,050                                  |
| Local alcoholic liquor tax             | 265                    | 94             | 745            | (651)                                  |
| Local sales tax                        | 98,675                 | 94,972         | 100,000        | (5,028)                                |
| <b>Total Taxes</b>                     | <u>435,017</u>         | <u>419,282</u> | <u>436,535</u> | <u>(17,253)</u>                        |
| Intergovernmental Revenues -           |                        |                |                |  |
| Highway connecting links               | 6,000                  | 8,005          | 6,000          | 2,005                                  |
| Licenses and Permits -                 |                        |                |                |  |
| Building permits                       | 5,391                  | 7,375          | 8,000          | (625)                                  |
| Utility franchise fees                 | 69,205                 | 74,178         | 85,000         | (10,822)                               |
| Dog tags, impounds, adoption fees      | 2,238                  | 1,605          | 1,500          | 105                                    |
| <b>Total Licenses and Permits</b>      | <u>76,834</u>          | <u>83,158</u>  | <u>94,500</u>  | <u>(11,342)</u>                        |
| Charges for Services -                 |                        |                |                |  |
| Rural fire contracts                   | 6,948                  | 5,782          | 4,500          | 1,282                                  |
| Swimming and concessions               | 14,005                 | 14,213         | 12,000         | 2,213                                  |
| <b>Total Charges for Services</b>      | <u>20,953</u>          | <u>19,995</u>  | <u>16,500</u>  | <u>3,495</u>                           |
| Fines, Forfeitures and Penalties -     |                        |                |                |  |
| Fines                                  | 2,635                  | 1,935          | 2,000          | (65)                                   |
| Use of Money and Property -            |                        |                |                |  |
| Interest received                      | 3,665                  | 9,526          | -              | 9,526                                  |
| Use of property                        | 246                    | -              | 2,800          | (2,800)                                |
| <b>Total Use of Money and Property</b> | <u>3,911</u>           | <u>9,526</u>   | <u>2,800</u>   | <u>6,726</u>                           |

CITY OF DOWNS, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|  | 2018<br>Actual | 2019           |                   | Variance -<br>Over<br>(Under) |
|--|----------------|----------------|-------------------|-------------------------------|
|  |                | Actual         | Budget            |                               |
| Receipts (Cont.)                           |                |                |                   |                               |
| Other -                                    |                |                |                   |                               |
| Donations                                  | \$ 4,071       | \$ 2,525       | \$ -              | \$ 2,525                      |
| Miscellaneous                              | 7,501          | 33,384         | 3,000             | 30,384                        |
| Reimbursements                             | 8,619          | 5,073          | -                 | 5,073                         |
| Clinic rent                                | -              | 3,850          | 4,200             | (350)                         |
| Rent                                       | 8,170          | 2,640          | 11,000            | (8,360)                       |
| Memorials fire department                  | 5,670          | 20             | 2,000             | (1,980)                       |
| Total Other                                | <u>34,031</u>  | <u>47,492</u>  | <u>20,200</u>     | <u>27,292</u>                 |
| Transfers In -                             |                |                |                   |                               |
| Transfer from Water and Sewer Utility Fund | 25,000         | 25,000         | 25,000            | -                             |
| Total Receipts                             | <u>604,381</u> | <u>614,393</u> | <u>\$ 603,535</u> | <u>\$ 10,858</u>              |
| Expenditures                               |                |                |                   |                               |
| Administrative -                           |                |                |                   |                               |
| Personal services                          | 51,860         | 61,328         | \$ 55,000         | \$ 6,328                      |
| Contractual services                       | 38,573         | 36,725         | 55,000            | (18,275)                      |
| Commodities                                | 1,672          | 2,803          | 2,000             | 803                           |
| Total Administrative                       | <u>92,105</u>  | <u>100,856</u> | <u>112,000</u>    | <u>(11,144)</u>               |
| Police -                                   |                |                |                   |                               |
| Contractual services                       | 82,500         | 89,375         | 82,500            | 6,875                         |
| Street -                                   |                |                |                   |                               |
| Personal services                          | 9,079          | 7,697          | 15,000            | (7,303)                       |
| Contractual services                       | 20,453         | 64,621         | 70,000            | (5,379)                       |
| Commodities                                | 38,068         | 62,946         | 30,000            | 32,946                        |
| Lease purchase                             | -              | 4,726          | -                 | 4,726                         |
| Total Street                               | <u>67,600</u>  | <u>139,990</u> | <u>115,000</u>    | <u>24,990</u>                 |
| Park -                                     |                |                |                   |                               |
| Personal services                          | 18,753         | 38,494         | 20,000            | 18,494                        |
| Contractual services                       | 6,871          | 8,042          | 11,000            | (2,958)                       |
| Commodities                                | 5,553          | 8,565          | 5,000             | 3,565                         |
| Total Park                                 | <u>31,177</u>  | <u>55,101</u>  | <u>36,000</u>     | <u>19,101</u>                 |
| Fire -                                     |                |                |                   |                               |
| Personal services                          | 3,260          | 3,030          | 1,000             | 2,030                         |
| Contractual services                       | 24,776         | 13,069         | 20,000            | (6,931)                       |
| Commodities                                | 4,191          | 4,288          | 7,000             | (2,712)                       |
| Total Fire                                 | <u>32,227</u>  | <u>20,387</u>  | <u>28,000</u>     | <u>(7,613)</u>                |



## CITY OF DOWNS, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|                                    | 2018<br>Actual | 2019       |            | Variance -<br>Over<br>(Under) |
|------------------------------------|----------------|------------|------------|-------------------------------|
|                                    |                | Actual     | Budget     |                               |
| Expenditures (Cont.)               |                |            |            |                               |
| Swimming Pool -                    |                |            |            |                               |
| Personal services                  | \$ 23,769      | \$ 24,966  | \$ 26,000  | \$ (1,034)                    |
| Contractual services               | 23,634         | 1,561      | 6,000      | (4,439)                       |
| Commodities                        | 6,600          | 10,289     | 8,500      | 1,789                         |
| Total Swimming Pool                | 54,003         | 36,816     | 40,500     | (3,684)                       |
| Cemetery -                         |                |            |            |                               |
| Personal services                  | 9,079          | 10,316     | 8,500      | 1,816                         |
| Contractual services               | 3,904          | 1,294      | 2,000      | (706)                         |
| Commodities                        | 1,949          | 199        | 1,500      | (1,301)                       |
| Total Cemetery                     | 14,932         | 11,809     | 12,000     | (191)                         |
| Ambulance -                        |                |            |            |                               |
| Contractual services               | 18,000         | 19,500     | 18,000     | 1,500                         |
| Memorial Hall -                    |                |            |            |                               |
| Personal services                  | 9,079          | 10,316     | 9,000      | 1,316                         |
| Contractual services               | 15,261         | 4,654      | 4,530      | 124                           |
| Commodities                        | 665            | 540        | 500        | 40                            |
| Total Memorial Hall                | 25,005         | 15,510     | 14,030     | 1,480                         |
| Other -                            |                |            |            |                               |
| Audit and budget                   | 8,505          | 8,760      | 7,500      | 1,260                         |
| Clinic                             | 833            | 1,090      | 5,000      | (3,910)                       |
| Employee benefits                  | 79,298         | 103,479    | 85,500     | 17,979                        |
| Demolition                         | -              | -          | 10,000     | (10,000)                      |
| Utilities                          | 54,533         | 57,905     | 50,000     | 7,905                         |
| Cash forward                       | -              | -          | 170,558    | (170,558)                     |
| Transfer to Equipment Reserve Fund | 3,750          | -          | 13,600     | (13,600)                      |
| Total Other                        | 146,919        | 171,234    | 342,158    | (170,924)                     |
| Total Expenditures                 | 564,468        | 660,578    | \$ 800,188 | \$ (139,610)                  |
| Receipts Over (Under) Expenditures | 39,913         | (46,185)   |            |                               |
| Unencumbered Cash, Beginning       | 237,526        | 277,439    |            |                               |
| Unencumbered Cash, Ending          | \$ 277,439     | \$ 231,254 |            |                               |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**CEMETERY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b>2018<br/>Actual</b> | <b>2019</b>     |                 | <b>Variance -<br/>Over<br/>(Under)</b> |
|------------------------------------|------------------------|-----------------|-----------------|--|
|                                    |                        | <b>Actual</b>   | <b>Budget</b>   |  |
| Receipts                           |                        |                 |                 |  |
| Donations                          | \$ 250                 | \$ 250          | \$ 1,000        | \$ (750)                               |
| Interest income                    | 146                    | 118             | 100             | 18                                     |
| Total Receipts                     | <u>396</u>             | <u>368</u>      | <u>\$ 1,100</u> | <u>\$ (732)</u>                        |
| Expenditures                       |                        |                 |                 |  |
| Contractual services               | -                      | -               | \$ 1,000        | \$ (1,000)                             |
| Commodities                        | -                      | 93              | 1,000           | (907)                                  |
| Cash forward                       | -                      | -               | 5,806           | (5,806)                                |
| Total Expenditures                 | <u>-</u>               | <u>93</u>       | <u>\$ 7,806</u> | <u>\$ (7,713)</u>                      |
| Receipts Over (Under) Expenditures | 396                    | 275             |                 |  |
| Unencumbered Cash, Beginning       | <u>8,106</u>           | <u>8,502</u>    |                 |  |
| Unencumbered Cash, Ending          | <u>\$ 8,502</u>        | <u>\$ 8,777</u> |                 |  |

## CITY OF DOWNS, KANSAS

SPECIAL PURPOSE FUNDINDUSTRIAL PROMOTION FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|                                    | 2018<br>Actual  | 2019            |                 | Variance -<br>Over<br>(Under) |
|------------------------------------|-----------------|-----------------|-----------------|-------------------------------|
|                                    |                 | Actual          | Budget          |                               |
| Receipts                           |                 |                 |                 |                               |
| Ad valorem property tax            | \$ 4,126        | \$ 4,022        | \$ 4,185        | \$ (163)                      |
| Delinquent tax                     | 147             | 79              | 500             | (421)                         |
| Motor vehicle tax                  | 816             | 769             | 790             | (21)                          |
| Recreational vehicle tax           | 14              | 18              | 13              | 5                             |
| 16/20M vehicle tax                 | 6               | 8               | 5               | 3                             |
| Commercial vehicle tax             | 44              | 42              | 66              | (24)                          |
| Watercraft tax                     | 7               | 7               | -               | 7                             |
| Total Receipts                     | <u>5,160</u>    | <u>4,945</u>    | <u>\$ 5,559</u> | <u>\$ (614)</u>               |
| Expenditures                       |                 |                 |                 |                               |
| Payments to Downs Enterprise       | <u>3,071</u>    | <u>-</u>        | <u>\$ 5,928</u> | <u>\$ (5,928)</u>             |
| Receipts Over (Under) Expenditures | 2,089           | 4,945           |                 |                               |
| Unencumbered Cash, Beginning       | <u>-</u>        | <u>2,089</u>    |                 |                               |
| Unencumbered Cash, Ending          | <u>\$ 2,089</u> | <u>\$ 7,034</u> |                 |                               |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**LIBRARY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b>2018<br/>Actual</b> | <b>2019</b>   |                  | <b>Variance -<br/>Over<br/>(Under)</b> |
|------------------------------------|------------------------|---------------|------------------|--|
|                                    |                        | <b>Actual</b> | <b>Budget</b>    |  |
| Receipts                           |                        |               |                  |  |
| Ad valorem property tax            | \$ 19,232              | \$ 18,750     | \$ 19,510        | \$ (760)                               |
| Delinquent tax                     | 710                    | 369           | 500              | (131)                                  |
| Motor vehicle tax                  | 3,809                  | 3,585         | 3,687            | (102)                                  |
| Recreational vehicle tax           | 67                     | 83            | 60               | 23                                     |
| 16/20M vehicle tax                 | 26                     | 38            | 24               | 14                                     |
| Commercial vehicle tax             | 206                    | 197           | 328              | (131)                                  |
| Watercraft tax                     | 33                     | 34            | -                | 34                                     |
| <b>Total Receipts</b>              | <b>24,083</b>          | <b>23,056</b> | <b>\$ 24,109</b> | <b>\$ (1,053)</b>                      |
| Expenditures                       |                        |               |                  |  |
| Appropriation to Library           | 24,083                 | 23,056        | \$ 24,109        | \$ (1,053)                             |
| Receipts Over (Under) Expenditures | -                      | -             |                  |  |
| Unencumbered Cash, Beginning       | -                      | -             |                  |  |
| Unencumbered Cash, Ending          | \$ -                   | \$ -          |                  |  |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**SPECIAL HIGHWAY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b>2018<br/>Actual</b> | <b>2019</b>   |               | <b>Variance -<br/>Over<br/>(Under)</b> |
|------------------------------------|------------------------|---------------|---------------|--|
|                                    |                        | <b>Actual</b> | <b>Budget</b> |  |
| Receipts                           |                        |               |               |  |
| State payments                     | \$ 22,993              | \$ 22,835     | \$ 22,880     | \$ (45)                                |
| Expenditures                       |                        |               |               |  |
| Contractual services               | 2,000                  | -             | \$ 100        | \$ (100)                               |
| Commodities                        | -                      | 18,801        | 20,000        | (1,199)                                |
| Cash forward                       | -                      | -             | 97,590        | (97,590)                               |
| Total Expenditures                 | 2,000                  | 18,801        | \$ 117,690    | \$ (98,889)                            |
| Receipts Over (Under) Expenditures | 20,993                 | 4,034         |               |  |
| Unencumbered Cash, Beginning       | 77,110                 | 98,103        |               |  |
| Unencumbered Cash, Ending          | \$ 98,103              | \$ 102,137    |               |  |

## CITY OF DOWNS, KANSAS

SPECIAL PURPOSE FUNDSPECIAL PARKS AND RECREATION FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|                                    | 2018<br>Actual  | 2019            |                 | Variance -<br>Over<br>(Under) |
|------------------------------------|-----------------|-----------------|-----------------|-------------------------------|
|                                    |                 | Actual          | Budget          |                               |
| Receipts                           |                 |                 |                 |                               |
| Local alcoholic liquor tax         | \$ 265          | \$ 94           | \$ 744          | \$ (650)                      |
| Donations                          | 5,000           | -               | 1,500           | (1,500)                       |
| Grain sales                        | 494             | 899             | 100             | 799                           |
|                                    | <u>5,759</u>    | <u>993</u>      | <u>\$ 2,344</u> | <u>\$ (1,351)</u>             |
| Total Receipts                     |                 |                 |                 |                               |
| Expenditures Subject to Budget     |                 |                 |                 |                               |
| Commodities                        | 8,402           | 2,320           | \$ 6,497        | \$ (4,177)                    |
|                                    | <u>8,402</u>    | <u>2,320</u>    | <u>\$ 6,497</u> | <u>\$ (4,177)</u>             |
| Receipts Over (Under) Expenditures | (2,643)         | (1,327)         |                 |                               |
| Unencumbered Cash, Beginning       | 6,053           | 3,410           |                 |                               |
|                                    | <u>6,053</u>    | <u>3,410</u>    |                 |                               |
| Unencumbered Cash, Ending          | \$ 3,410        | \$ 2,083        |                 |                               |
|                                    | <u>\$ 3,410</u> | <u>\$ 2,083</u> |                 |                               |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**AMBULANCE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b><u>2018</u></b><br><b><u>Actual</u></b> | <b><u>2019</u></b><br><b><u>Actual</u></b> |
|------------------------------------|--|--|
| Receipts                           | \$ -                                       | \$ -                                       |
| Expenditures                       | <u>-</u>                                   | <u>-</u>                                   |
| Receipts Over (Under) Expenditures | -  | -  |
| Unencumbered Cash, Beginning       | <u>5,653</u>                               | <u>5,653</u>                               |
| Unencumbered Cash, Ending          | <u>\$ 5,653</u>                            | <u>\$ 5,653</u>                            |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**EQUIPMENT RESERVE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b><u>2018<br/>Actual</u></b> | <b><u>2019<br/>Actual</u></b> |
|------------------------------------|-------------------------------|-------------------------------|
| Receipts                           |                               |                               |
| Grant                              | \$ 4,999                      | \$ -                          |
| Transfer from General Fund         | <u>3,750</u>                  | <u>-</u>                      |
| Total Receipts                     | <u>8,749</u>                  | <u>-</u>                      |
| Expenditures                       |                               |                               |
| Capital outlay                     | <u>11,199</u>                 | <u>-</u>                      |
| Receipts Over (Under) Expenditures | (2,450)                       | -                             |
| Unencumbered Cash, Beginning       | <u>16,602</u>                 | <u>14,152</u>                 |
| Unencumbered Cash, Ending          | <u>\$ 14,152</u>              | <u>\$ 14,152</u>              |



**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**FREDA COLLAR TRUST FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b><u>2018</u></b><br><b><u>Actual</u></b> | <b><u>2019</u></b><br><b><u>Actual</u></b> |
|------------------------------------|--|--|
| Receipts                           | \$ -                                       | \$ -                                       |
| Expenditures                       | <u>-</u>                                   | <u>-</u>                                   |
| Receipts Over (Under) Expenditures | -  | -  |
| Unencumbered Cash, Beginning       | <u>2,132</u>                               | <u>2,132</u>                               |
| Unencumbered Cash, Ending          | <u><u>\$ 2,132</u></u>                     | <u><u>\$ 2,132</u></u>                     |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**MEMORIAL HALL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b><u>2018</u></b><br><b><u>Actual</u></b> | <b><u>2019</u></b><br><b><u>Actual</u></b> |
|------------------------------------|--|--|
| Receipts                           |  |  |
| Grants                             | \$ 153,500                                 | \$ 25,000                                  |
| Expenditures                       |  |  |
| Commodities                        | <u>5,862</u>                               | <u>135,618</u>                             |
| Receipts Over (Under) Expenditures | 147,638                                    | (110,618)                                  |
| Unencumbered Cash, Beginning       | <u>1,661</u>                               | <u>149,299</u>                             |
| Unencumbered Cash, Ending          | <u>\$ 149,299</u>                          | <u>\$ 38,681</u>                           |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**MEMORIAL PARK TRUST FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <b><u>2018</u></b><br><b><u>Actual</u></b> | <b><u>2019</u></b><br><b><u>Actual</u></b> |
|------------------------------------|--|--|
| Receipts                           |  |  |
| Donations                          | \$ 100                                     | \$ 250                                     |
| Expenditures                       |  |  |
| Contractual services               | 5,000                                      | -  |
| Commodities                        | 366  | -  |
| Total Expenditures                 | <u>5,366</u>                               | <u>-</u>                                   |
| Receipts Over (Under) Expenditures | (5,266)                                    | 250  |
| Unencumbered Cash, Beginning       | <u>7,567</u>                               | <u>2,301</u>                               |
| Unencumbered Cash, Ending          | <u>\$ 2,301</u>                            | <u>\$ 2,551</u>                            |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**SYPULSKI TRUST FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <u>2018</u><br><u>Actual</u> | <u>2019</u><br><u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts                           | \$ -                         | \$ -                         |
| Expenditures                       | <u>-</u>                     | <u>-</u>                     |
| Receipts Over (Under) Expenditures | -                            | -                            |
| Unencumbered Cash, Beginning       | <u>33,830</u>                | <u>33,830</u>                |
| Unencumbered Cash, Ending          | <u>\$ 33,830</u>             | <u>\$ 33,830</u>             |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**TRUCK ROUTE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <u>2018</u><br><u>Actual</u> | <u>2019</u><br><u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts                           | \$ -                         | \$ -                         |
| Expenditures                       | <u>-</u>                     | <u>-</u>                     |
| Receipts Over (Under) Expenditures | -                            | -                            |
| Unencumbered Cash, Beginning       | <u>4,480</u>                 | <u>4,480</u>                 |
| Unencumbered Cash, Ending          | <u>\$ 4,480</u>              | <u>\$ 4,480</u>              |

**CITY OF DOWNS, KANSAS**

**SPECIAL PURPOSE FUND**

**GEOMETRIC FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <u>2018</u><br><u>Actual</u> | <u>2019</u><br><u>Actual</u> |
|------------------------------------|------------------------------|------------------------------|
| Receipts                           |                              |                              |
| Grants                             | \$ -                         | \$ 54,278                    |
| Expenditures                       |                              |                              |
| Contractual services               | <u>-</u>                     | <u>22,181</u>                |
| Receipts Over (Under) Expenditures | -                            | 32,097                       |
| Unencumbered Cash, Beginning       | <u>-</u>                     | <u>-</u>                     |
| Unencumbered Cash, Ending          | <u>\$ -</u>                  | <u>\$ 32,097</u>             |

## CITY OF DOWNS, KANSAS

BOND AND INTEREST FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|  | 2018<br>Actual  | 2019            |                   | Variance -<br>Over<br>(Under) |
|--|-----------------|-----------------|-------------------|-------------------------------|
|  |                 | Actual          | Budget            |                               |
| Receipts                                   |                 |                 |                   |                               |
| Ad valorem tax                             | \$ 46,767       | \$ 45,585       | \$ 47,439         | \$ (1,854)                    |
| Delinquent tax                             | 1,618           | 923             | 500               | 423                           |
| Motor vehicle tax                          | 9,263           | 8,717           | 8,966             | (249)                         |
| Recreational vehicle tax                   | 163             | 203             | 146               | 57                            |
| 16/20M vehicle tax                         | 64              | 92              | 58                | 34                            |
| Commercial vehicle tax                     | 501             | 479             | 869               | (390)                         |
| Watercraft tax                             | 79              | 82              | -                 | 82                            |
| Transfer from Water and Sewer Utility Fund | 71,000          | 70,000          | 70,000            | -                             |
| Total Receipts                             | <u>129,455</u>  | <u>126,081</u>  | <u>\$ 127,978</u> | <u>\$ (1,897)</u>             |
| Expenditures                               |                 |                 |                   |                               |
| Water loan - principal payment             | 22,979          | 23,835          | \$ 23,835         | \$ -                          |
| Water loan - interest payment              | 10,399          | 9,354           | 7,234             | 2,120                         |
| Sewer loan - principal payment             | 75,160          | 77,104          | 77,104            | -                             |
| Sewer loan - interest payment              | 21,431          | 19,676          | 21,897            | (2,221)                       |
| Cash basis reserve                         | -               | -               | 4,152             | (4,152)                       |
| Total Expenditures                         | <u>129,969</u>  | <u>129,969</u>  | <u>\$ 134,222</u> | <u>\$ (4,253)</u>             |
| Receipts Over (Under) Expenditures         | (514)           | (3,888)         |                   |                               |
| Unencumbered Cash, Beginning               | <u>7,626</u>    | <u>7,112</u>    |                   |                               |
| Unencumbered Cash, Ending                  | <u>\$ 7,112</u> | <u>\$ 3,224</u> |                   |                               |

## CITY OF DOWNS, KANSAS

BUSINESS FUNDWATER AND SEWER UTILITY FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

|                                    | 2018<br>Actual   | 2019               |                   | Variance -<br>Over<br>(Under) |
|------------------------------------|------------------|--------------------|-------------------|-------------------------------|
|                                    |                  | Actual             | Budget            |                               |
| Receipts                           |                  |                    |                   |                               |
| Water charges                      | \$ 301,158       | \$ 354,951         | \$ 290,000        | \$ 64,951                     |
| Connection fees                    | 75               | 205                | 1,000             | (795)                         |
| Reimbursed expenses                | 8,943            | 183                | -                 | 183                           |
| Miscellaneous                      | 7,046            | 7,651              | -                 | 7,651                         |
| Loan proceeds                      | -                | 49,354             | -                 | 49,354                        |
| CDBG proceeds                      | -                | 5,000              | -                 | 5,000                         |
| Expansion contribution             | 4,000            | 3,600              | -                 | 3,600                         |
| Total Receipts                     | <u>321,222</u>   | <u>420,944</u>     | <u>\$ 291,000</u> | <u>\$ 129,944</u>             |
| Expenditures                       |                  |                    |                   |                               |
| Water Production                   |                  |                    |                   |                               |
| Personal services                  | 21,066           | 30,707             | \$ 25,000         | \$ 5,707                      |
| Contractual services               | 68,764           | 62,785             | 66,000            | (3,215)                       |
| Commodities                        | 50,316           | 95,197             | 60,000            | 35,197                        |
| Sewer                              |                  |                    |                   |                               |
| Personal services                  | 21,065           | 26,140             | 18,000            | 8,140                         |
| Contractual services               | 21,827           | 10,457             | 20,000            | (9,543)                       |
| Commodities                        | 6,642            | 8,927              | 5,000             | 3,927                         |
| General & Administration           |                  |                    |                   |                               |
| Personal services                  | 24,194           | 29,068             | 24,000            | 5,068                         |
| Contractual services               | 21,563           | 23,836             | 20,000            | 3,836                         |
| Commodities                        | 1,288            | 2,720              | 4,000             | (1,280)                       |
| Other Expenditures                 |                  |                    |                   |                               |
| Miscellaneous                      | -                | -                  | 12,292            | (12,292)                      |
| Sales tax                          | 2,655            | 2,581              | 2,500             | 81                            |
| Water protection fee               | 1,959            | 1,498              | 2,500             | (1,002)                       |
| Water treatment plant              | -                | 168,561            | -                 | 168,561                       |
| Transfer to Bond and Interest Fund | 71,000           | 70,000             | 70,000            | -                             |
| Transfer to General Fund           | 25,000           | 25,000             | 25,000            | -                             |
| Total Expenditures                 | <u>337,339</u>   | <u>557,477</u>     | <u>\$ 354,292</u> | <u>\$ 203,185</u>             |
| Receipts Over (Under) Expenditures | (16,117)         | (136,533)          |                   |                               |
| Unencumbered Cash, Beginning       | <u>114,292</u>   | <u>98,175</u>      |                   |                               |
| Unencumbered Cash, Ending          | <u>\$ 98,175</u> | <u>\$ (38,358)</u> |                   |                               |



**CITY OF DOWNS, KANSAS**

**TRUST FUND**

**CEMETERY ENDOWMENT FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <u>2018</u>      | <u>2019</u>      |
|------------------------------------|------------------|------------------|
| Receipts                           | \$ -             | \$ -             |
| Expenditures                       | <u>-</u>         | <u>-</u>         |
| Receipts Over (Under) Expenditures | -                | -                |
| Unencumbered Cash, Beginning       | <u>18,067</u>    | <u>18,067</u>    |
| Unencumbered Cash, Ending          | <u>\$ 18,067</u> | <u>\$ 18,067</u> |

**CITY OF DOWNS, KANSAS**

**TRUST FUND**

**MARIE THOMAS TRUST FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

|                                    | <u>2018</u>     | <u>2019</u>     |
|------------------------------------|-----------------|-----------------|
| Receipts                           | \$ -            | \$ -            |
| Expenditures                       | <u>-</u>        | <u>-</u>        |
| Receipts Over (Under) Expenditures | -               | -               |
| Unencumbered Cash, Beginning       | <u>6,292</u>    | <u>6,292</u>    |
| Unencumbered Cash, Ending          | <u>\$ 6,292</u> | <u>\$ 6,292</u> |

CITY OF DOWNS, KANSAS

AGENCY FUND

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended December 31, 2019

| <u>Fund</u>              | <u>Beginning<br/>Cash Balance</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Ending<br/>Cash Balance</u> |
|--------------------------|-----------------------------------|-----------------|----------------------|--------------------------------|
| Water Meter Deposit Fund | \$ 40,988                         | \$ 4,755        | \$ 4,309             | \$ 41,434                      |