

CITY OF DOWNS, KANSAS

FINANCIAL STATEMENT

**FOR THE YEAR ENDED
DECEMBER 31, 2021**



LOYD GROUP, LLC

Certified Public Accountants

**CITY OF DOWNS, KANSAS
CITY OF THE THIRD CLASS
For The Year Ended December 31, 2021**

Vienna Janis, Mayor

CITY COUNCIL

Charlie Stevens

Joyce Hake

John Cordill

Heather Hancock

Devin Renken

CITY OFFICERS

Miranda Robinson, Clerk

Bruce Berkley, Attorney

Valerie Davis, Assistant Clerk

David Draayer, Treasurer

CITY OF DOWNS, KANSAS

For the Year Ended December 31, 2021

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CITY OF DOWNS, KANSAS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Downs, Kansas 67437

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Downs, Kansas (City), a Municipality as of and for the year ended December 31, 2021 and the related notes to the financial statement.

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 and Unmodified Opinions section of our report, the accompanying 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 as of December 31, 2021, 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 accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2021, 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.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City 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.

Other Matter

The prior year's financial statement for the year ended December 31, 2020, was audited by another auditor, who expressed an unmodified opinion on regulatory basis of accounting, on June 23, 2021.

D. Scot Loyd, CPA, CGFM, CFE, CGMA, CNC

"Creating Maneuverability in Government"

Responsibilities of Management 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.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

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

our opinion, the accompanying supplementary 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.

Another auditor previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Downs, Kansas as of and for the year ended December 31, 2020 (not presented herein), and have issued their report thereon dated June 23, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and their 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 <https://admin.ks.gov/offices/oar/municipalservices>. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2021 (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 2020 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 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 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, 2020, on the basis of accounting described in Note 1.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
April 15, 2022

CITY OF DOWNS, KANSAS

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

For the Year Ended December 31, 2021

	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
GENERAL FUND:						
General Fund	\$ 317,203	\$ 690,107	\$ 742,576	\$ 264,734	\$ 8,282	\$ 273,016
SPECIAL PURPOSE FUNDS:						
Cemetery Fund	9,603	344	-	9,946	-	9,946
Industrial Promotion Fund	12,111	982	-	13,093	-	13,093
Library Fund	-	22,794	22,794	-	-	-
Special Highway Fund	90,123	23,682	11,681	102,124	-	102,124
Special Parks and Recreation Fund	(2,765)	4,824	115	1,944	-	1,944
ARPA Grant Fund	-	62,143	3,235	58,908	-	58,908
Ambulance Fund	5,653	-	-	5,653	-	5,653
City Equipment Reserve Fund	-	15,700	-	15,700	-	15,700
Fire Equipment Reserve Fund	25,827	15,372	25,824	15,375	-	15,375
Freda Collar Trust Fund	2,132	-	-	2,132	-	2,132
Memorial Hall Fund	22,964	-	26	22,938	-	22,938
Memorial Park Trust Fund	3,146	695	-	3,841	-	3,841
Sypulski Trust Fund	33,830	-	-	33,830	-	33,830
Truck Route Fund	4,480	-	-	4,480	-	4,480
Geometric Street Project Fund	41,310	761	769	41,302	-	41,302
Total Special Purpose Funds	248,414	147,297	64,444	331,266	-	331,266
BOND AND INTEREST FUND:						
Bond and Interest Fund	133	230,282	229,571	844	-	844
BUSINESS FUND:						
Water and Sewer Utility Fund	(1,982)	1,327,858	1,324,729	1,147	2,434	3,581
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 (Excluding Agency Fund)	\$ 588,127	\$ 2,395,544	\$ 2,361,320	\$ 622,350	\$ 10,716	\$ 633,066
COMPOSITION OF CASH:						
Petty Cash Account					\$ 500	
Cash in Drawer					150	
Checking Account - State Bank of Downs					271,666	
Money Market Accounts - State Bank of Downs					207,217	
Savings Account - State Bank of Downs					58,908	
Certificates of Deposit - State Bank of Downs					134,571	
Checking Account - Guaranty State Bank					1,500	
Total Cash					674,512	
Less Agency Fund per Schedule 3					(41,446)	
Total Reporting Entity (Excluding Agency Fund)					\$ 633,066	

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, 2021

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.

Senate Bill 13 repealed the tax lid law and introduced the use of a revenue neutral rate with an additional budget hearing required if the proposed tax levy exceeds the revenue neutral rate. These policy changes apply to the 2022 budget cycle. Additional information can be found in the Memo to State of Kansas Taxing Subdivisions (2021) at <https://admin.ks.gov/offices/oar/municipal-services>.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality did hold a revenue neutral rate hearing for the year.

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 2021.

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

A cash-basis violation occurred in the beginning of the year in the Water and Sewer Utility Fund of \$1,982 and in the Special Parks and Recreation Fund of \$2,765 contrary to K.S.A. 10-1113

A budget violation occurred in the Bond & Interest Fund of \$99,273. A budget violation occurred in the Water and Sewer Utility Fund of \$973,629, however, \$924,690 was related to the water treatment plant loan and CDBG grant proceeds and not subject to budget law. The remaining \$48,937 was considered a budget violation 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.

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, 2021.

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, 2021.

At December 31, 2021, the City's carrying amount of deposits was \$674,362 and the bank balance was \$692,778. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining \$100,173 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, 2021, 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
Street Sweeper Lease	2.95%	3/23/20	\$ 25,000	9/23/24	\$ 19,996	\$ -	\$ 4,782	\$ 15,214	\$ 555
Ditch Witch Lease	2.75%	11/22/20	54,500	3/22/25	48,709	-	10,313	38,396	1,268
Skid Steer Loader Lease Purchase	4.70%	11/29/19	50,009	11/29/25	37,895	-	7,743	30,152	1,706
Oil Tank Lease	2.75%	10/6/2021	41,300	10/6/26	41,300	-	4,016	37,284	-
KDHE Public Water Supply Loan	3.69%	8/1/06	436,873	2/1/26	153,380	-	25,643	127,737	4,911
KDHE Water Pollution Control Loan	2.57%	3/1/09	1,189,333	9/1/28	711,057	-	81,144	629,913	16,029
KDHE Loan WTP, Project No. 2976	2.54%	12/20/18	1,546,071	8/1/40	-	1,546,071	77,368	1,468,703	817
Total Contractual Indebtedness					\$ 1,012,337	\$ 1,546,071	\$ 211,009	\$ 2,347,399	\$ 25,286

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

	Year							Total
	2022	2023	2024	2025	2026	2027 to 2031	2032 to 2040	
PRINCIPAL:								
Street Sweeper Lease	\$ 4,924	\$ 5,070	\$ 5,220	\$ -	\$ -	\$ -	\$ -	\$ 15,214
Ditch Witch Lease	10,599	10,892	11,192	5,713	-	-	-	38,396
Skid Steer Loader Lease Purchase	8,115	8,505	8,914	4,618	-	-	-	30,152
Oil Tank Lease	7,055	7,251	7,450	7,655	7,873	-	-	37,284
Kansas Public Water Supply Loan	26,598	27,589	28,616	29,682	15252	-	-	127,737
KDHE Water Pollution Control Loan	83,242	85,396	87,604	89,870	92,195	191,606	-	629,913
KDHE Loan WTP, Project #2976	61,008	62,567	64,166	65,806	67,489	364,218	783,449	1,468,703
Total Principal	201,541	207,270	213,162	203,344	182,809	555,824	783,449	2,347,399

4. LONG-TERM DEBT (CONT.)

INTEREST:								
Street Sweeper Lease	\$ 412	\$ 266	\$ 116	\$ -	\$ -	\$ -	\$ -	\$ 794
Ditch Witch Lease	983	689	389	78	-	-	-	2,139
Oil Tank Lease	977	782	583	375	163	-	-	2,878
Skid Steer Loader Lease Purchase	1,336	946	538	110	-	-	-	2,930
KDHE Public Water Supply Loan	4,470	3,480	2,452	1,387	282	-	-	12,071
KDHE Water Pollution Control Loan	15,730	13,567	11,348	9,071	6,736	6,224	-	62,676
KDHE Loan WTP, Project #2976	5,087	4,873	4,652	27,695	26,245	108,138	84,409	261,099
Total Interest	28,995	24,602	20,078	38,716	33,425	114,362	84,409	344,587
TOTAL PRINCIPAL AND INTEREST	\$ 230,536	\$ 236,265	\$ 237,764	\$ 223,422	\$ 221,525	\$ 589,249	\$ 897,811	\$ 2,691,986

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 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 6.00% 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 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$13,115 for the year ended December 31, 2021.

Net Pension Liability. At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was \$93,417. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

(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.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(b) Death and Disability Other Post Employment Benefits

K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2021.

(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.

(c) Other Employee Benefits (Cont.)

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

<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 2020 to 2021 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:

From	To	Regulatory Authority	Amount
General Fund	Fire Equipment Reserve Fund	K.S.A. 12-1, 117	\$ 3,837
General Fund	City Equipment Reserve Fund	K.S.A. 12-1, 117	15,700
General Fund	ARPA Grant Fund	K.S.A. 12-825d	62,112
General Fund	Bond and Interest Fund	K.S.A. 12-825d	125,000
ARPA Fund	General Fund	K.S.A. 12-825d	3,235
Water and Sewer Utility Fund	General Fund	K.S.A. 12-825d	25,000
Water and Sewer Utility Fund	Bond and Interest Fund	K.S.A. 12-825d	50,000
			<u>\$ 284,884</u>

9. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures To Date
Water treatment plant-CDBG grant	\$ 600,000	\$ 593,000
Water treatment plant-KDHE loan	1,580,532	1,401,738
	<u>\$ 2,180,532</u>	<u>\$ 1,994,738</u>

11. COVID-19 NOTE

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021. Future potential impacts may include a decrease in certain revenues, reduced customer traffic and the temporary closure of operating hours of our offices.

As a result of COVID-19, the State of Kansas has received Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA). The SLFRF was received from the U.S. Department of Treasury. The City received SLFRF in the amount of \$61,745 during 2021. The SLFRF are to be used to strengthen and improve infrastructure and continue to support the recovery related to the public health emergency. Additional information and updates on ARPA SLFRF, which includes audit requirements, can be found at <https://home.treasury.gov/>.

12. 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.

CITY OF DOWNS, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

CITY OF DOWNS, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

(Budgeted Funds Only)

For the Year Ended December 31, 2021

	<u>Certified Budget</u>	<u>Adjustment for for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
GENERAL FUND:					
General Fund	\$ 844,063	\$ -	\$ 844,063	\$ 742,576	\$ (101,487)
SPECIAL PURPOSE FUNDS:					
Cemetery Fund	7,477	-	7,477	-	(7,477)
Industrial Promotion Fund	5,601	-	5,601	-	(5,601)
Library Fund	22,956	-	22,956	22,794	(162)
Special Highway Fund	140,597	-	140,597	11,681	(128,916)
Special Parks and Recreation Fund	5,800	-	5,800	115	(5,685)
BOND AND INTEREST FUND:					
Bond and Interest Fund	130,298	-	130,298	229,571	99,273
BUSINESS FUND:					
Water and Sewer Utility Fund	351,100	-	351,100	1,324,729	973,629

CITY OF DOWNS, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2021			Variance - Over (Under)
	2020 Actual	Actual	Budget	
Receipts				
Taxes -				
Ad valorem property tax	\$ 263,546	\$ 261,143	\$ 254,666	\$ 6,477
Delinquent tax	-	5,431	-	5,431
Motor vehicle tax	48,202	51,696	46,493	5,203
Recreational vehicle tax	779	932	918	14
16/20M vehicle tax	446	291	438	(147)
Commercial vehicle tax	2,103	2,426	2,226	200
Watercraft tax	448	454	481	(27)
In lieu of tax	10,957	7,030	5,000	2,030
Intangible tax	-	-	9,643	(9,643)
Local alcoholic liquor tax	-	-	2,000	(2,000)
Local sales tax	116,788	117,692	101,000	16,692
Total Taxes	443,269	447,095	422,865	24,230
Intergovernmental Revenues -				
Highway connecting links	10,007	9,993	6,000	3,993
Licenses and Permits -				
Building permits	12,313	4,079	5,000	(921)
Utility franchise fees	67,729	66,740	69,000	(2,260)
Dog tags, impounds, adoption fees	1,740	1,965	2,000	(35)
Total Licenses and Permits	81,782	72,784	76,000	(3,216)
Charges for Services -				
Rural fire contracts	15,000	15,000	15,000	-
Swimming and concessions	14,997	9,147	12,000	(2,853)
Total Charges for Services	29,997	24,147	27,000	(2,853)
Fines, Forfeitures and Penalties -				
Fines	3,945	393	2,000	(1,607)
Use of Money and Property -				
Interest received	3,125	1,426	5,000	(3,574)
Use of property	1,927	225	-	225
Total Use of Money and Property	5,052	1,651	5,000	(3,349)

CITY OF DOWNS, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

			<u>2021</u>		<u>Variance - Over (Under)</u>
	<u>2020 Actual</u>		<u>Actual</u>	<u>Budget</u>	
Receipts (Cont.)					
Other -					
Donations	\$ -	\$ 16,201	\$ -	\$ -	\$ 16,201
Federal grant		61,745			
Miscellaneous	13,530	17,683	5,000		12,683
Reimbursements	6,769	200	-		200
Clinic rent	4,200	-	-		-
Rent	640	6,180	7,000		(820)
Memorials fire department	6,071	3,800	-		3,800
Total Other	<u>31,210</u>	<u>105,809</u>	<u>12,000</u>		<u>32,064</u>
Transfers In -					
Transfer from ARPA Fund	-	3,235	-		3,235
Transfer from Water and Sewer Utility Fund	25,000	25,000	25,000		-
Total Transfers	<u>25,000</u>	<u>28,235</u>	<u>25,000</u>		<u>3,235</u>
Total Receipts	<u>630,262</u>	<u>690,107</u>	<u>\$ 575,865</u>		<u>\$ 52,497</u>
Expenditures					
Administrative -					
Personal services	39,019	35,905	\$ 60,000		\$ (24,095)
Contractual services	56,332	41,662	55,000		(13,338)
Commodities	5,719	3,726	4,500		(774)
Total Administrative	<u>101,070</u>	<u>81,293</u>	<u>119,500</u>		<u>(38,207)</u>
Street -					
Personal services	8,061	8,472	13,000		(4,528)
Contractual services	10,347	61,044	60,000		1,044
Commodities	82,257	81,287	42,000		39,287
Lease purchase	14,787	-	13,079		(13,079)
Total Street	<u>115,452</u>	<u>150,803</u>	<u>128,079</u>		<u>22,724</u>
Park -					
Personal services	15,678	17,910	22,000		(4,090)
Contractual services	1,682	4,454	7,500		(3,046)
Commodities	25,435	13,720	6,500		7,220
Total Park	<u>42,795</u>	<u>36,084</u>	<u>36,000</u>		<u>84</u>
Fire -					
Personal services	-	5,430	3,500		1,930
Contractual services	7,868	22,692	23,000		(308)
Commodities	18,258	1,711	1,500		211
Total Fire	<u>26,126</u>	<u>29,833</u>	<u>28,000</u>		<u>1,833</u>

CITY OF DOWNS, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2021</u>			Variance - Over (Under)
	<u>2020 Actual</u>	<u>Actual</u>	<u>Budget</u>	
Expenditures (Cont.)				
Swimming Pool -				
Personal services	\$ 26,715	\$ 26,987	\$ 26,000	\$ 987
Contractual services	3,094	1,610	7,500	(5,890)
Commodities	28,851	17,677	7,000	10,677
Total Swimming Pool	<u>58,660</u>	<u>46,274</u>	<u>40,500</u>	<u>5,774</u>
Cemetery -				
Personal services	11,304	11,638	9,000	2,638
Contractual services	1,432	381	2,000	(1,619)
Commodities	410	2,388	1,000	1,388
Total Cemetery	<u>13,146</u>	<u>14,407</u>	<u>12,000</u>	<u>2,407</u>
Ambulance -				
Contractual services	7,500	-	-	-
Memorial Hall -				
Personal services	11,303	11,637	9,100	2,537
Contractual services	3,799	3,590	4,200	(610)
Commodities	923	189	700	(511)
Total Memorial Hall	<u>16,025</u>	<u>15,416</u>	<u>14,000</u>	<u>1,416</u>
Other -				
Audit and budget	9,150	11,300	8,700	2,600
Clinic	1,750	3,647	1,000	2,647
Employee benefits	85,899	73,288	90,000	(16,712)
Demolition	-	-	10,000	(10,000)
Utilities	56,040	73,582	55,000	18,582
Cash forward	-	-	271,284	(271,284)
Transfer to ARPA Grant Fund	-	62,112	-	62,112
Transfer to Bond and Interest Fund	-	125,000	-	125,000
Transfer to Fire Equipment Reserve Fund	-	3,837	-	3,837
Transfer to City Equipment Reserve Fund	10,700	15,700	30,000	(14,300)
Total Other	<u>163,539</u>	<u>368,466</u>	<u>465,984</u>	<u>(97,518)</u>
Total Expenditures	<u>544,313</u>	<u>742,576</u>	<u>\$ 844,063</u>	<u>\$ (101,487)</u>
Receipts Over (Under) Expenditures	85,949	(52,469)		
Unencumbered Cash, Beginning	<u>231,254</u>	<u>317,203</u>		
Unencumbered Cash, Ending	<u>\$ 317,203</u>	<u>\$ 264,734</u>		

CITY OF DOWNS, KANSAS

SPECIAL PURPOSE FUNDCEMETERY FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021		Variance - Over (Under)
		Actual	Budget	
Receipts				
Donations	\$ 709	\$ 250	\$ 500	\$ (250)
Interest income	118	94	100	(6)
Total Receipts	<u>827</u>	<u>344</u>	<u>\$ 600</u>	<u>\$ (256)</u>
Expenditures				
Contractual services	-	-	\$ 1,000	\$ (1,000)
Commodities	-	-	1,000	(1,000)
Cash forward	-	-	5,477	(5,477)
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 7,477</u>	<u>\$ (7,477)</u>
Receipts Over (Under) Expenditures	827	344		
Unencumbered Cash, Beginning	<u>8,776</u>	<u>9,603</u>		
Unencumbered Cash, Ending	<u>\$ 9,603</u>	<u>\$ 9,946</u>		

CITY OF DOWNS, KANSAS

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

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021		Variance - Over (Under)
		Actual	Budget	
Receipts				
Ad valorem property tax	\$ 4,016	\$ 4	\$ 4	\$ -
Delinquent tax	130	85	-	85
Motor vehicle tax	771	827	744	83
Recreational vehicle tax	12	15	15	-
16/20M vehicle tax	7	5	7	(2)
Commercial vehicle tax	34	39	36	3
Watercraft tax	7	7	8	(1)
Total Receipts	<u>4,977</u>	<u>982</u>	<u>\$ 814</u>	<u>\$ 168</u>
Expenditures				
Payments to Downs Enterprise	(100)	-	\$ 5,501	\$ (5,501)
Cash Forward	<u>-</u>	<u>-</u>	<u>100</u>	<u>(100)</u>
Total Expenditures	<u>(100)</u>	<u>-</u>	<u>\$ 5,601</u>	<u>\$ (5,601)</u>
Receipts Over (Under) Expenditures	5,077	982		
Unencumbered Cash, Beginning	<u>7,034</u>	<u>12,111</u>		
Unencumbered Cash, Ending	<u>\$ 12,111</u>	<u>\$ 13,093</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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021		Variance - Over (Under)
		Actual	Budget	
Receipts				
Ad valorem property tax	\$ 18,704	\$ 18,239	\$ 18,687	\$ (448)
Delinquent tax	618	396	500	(104)
Motor vehicle tax	3,593	3,854	3,465	389
Recreational vehicle tax	58	69	69	-
16/20M vehicle tax	33	22	33	(11)
Commercial vehicle tax	157	181	166	15
Watercraft tax	32	33	36	(3)
Total Receipts	23,195	22,794	\$ 22,956	\$ (162)
Expenditures				
Appropriation to Library	23,195	22,794	\$ 22,956	\$ (162)
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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021		Variance - Over (Under)
		Actual	Budget	
Receipts				
State payments	\$ 21,286	\$ 23,682	\$ 19,120	\$ 4,562
Expenditures				
Contractual services	-	-	\$ 2,000	\$ (2,000)
Commodities	27,509	11,681	100	11,581
Ditch Witch lease purchase	5,791	-	-	-
Cash forward	-	-	138,497	(138,497)
Total Expenditures	<u>33,300</u>	<u>11,681</u>	<u>\$ 140,597</u>	<u>\$ (128,916)</u>
Receipts Over (Under) Expenditures	(12,014)	12,001		
Unencumbered Cash, Beginning	<u>102,137</u>	<u>90,123</u>		
Unencumbered Cash, Ending	<u>\$ 90,123</u>	<u>\$ 102,124</u>		

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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

			<u>2021</u>		<u>Variance - Over (Under)</u>
	<u>2020 Actual</u>		<u>Actual</u>	<u>Budget</u>	
Receipts					
Local alcoholic liquor tax	\$ -	\$ -	\$ 300	\$ (300)	
Donations	-	2,765	5,000	(2,235)	
Grain sales	319	2,059	500	1,559	
	<u>319</u>	<u>4,824</u>	<u>\$ 5,800</u>	<u>\$ (976)</u>	
Total Receipts					
Expenditures Subject to Budget					
Commodities	5,167	115	\$ 5,170	\$ (5,055)	
Cash Forward	-	-	630	(630)	
	<u>5,167</u>	<u>115</u>	<u>\$ 5,800</u>	<u>\$ (5,685)</u>	
Total Expenditures					
Receipts Over (Under) Expenditures	(4,848)	4,709			
Unencumbered Cash, Beginning	<u>2,083</u>	<u>(2,765)</u>			
Unencumbered Cash, Ending	<u>\$ (2,765)</u>	<u>\$ 1,944</u>			

CITY OF DOWNS, KANSAS

SPECIAL PURPOSE FUND

ARPA GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Receipts		
Miscellaneous	\$ -	\$ 31
Transfer from General Fund	-	<u>62,112</u>
Total Receipts	-	62,143
Expenditures		
Transfer to General Fund	-	<u>3,235</u>
Receipts Over (Under) Expenditures	-	58,908
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 58,908</u>

CITY OF DOWNS, KANSAS

SPECIAL PURPOSE FUND

AMBULANCE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
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

CITY EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020 Actual</u>	<u>2021 Actual</u>
Receipts		
Transfer from General Fund	\$ -	\$ 15,700
Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	15,700
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 15,700</u>

CITY OF DOWNS, KANSAS

SPECIAL PURPOSE FUND

FIRE EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Receipts		
Grant	\$ 975	\$ 11,535
Transfer from General Fund	<u>10,700</u>	<u>3,837</u>
Total Receipts	11,675	15,372
Expenditures	<u>-</u>	<u>25,824</u>
Receipts Over (Under) Expenditures	11,675	(10,452)
Unencumbered Cash, Beginning	<u>14,152</u>	<u>25,827</u>
Unencumbered Cash, Ending	<u>\$ 25,827</u>	<u>\$ 15,375</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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
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>\$ 2,132</u>	<u>\$ 2,132</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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Receipts		
Grants	\$ -	\$ -
Expenditures		
Commodities	<u>15,717</u>	<u>26</u>
Receipts Over (Under) Expenditures	(15,717)	(26)
Unencumbered Cash, Beginning	<u>38,681</u>	<u>22,964</u>
Unencumbered Cash, Ending	<u>\$ 22,964</u>	<u>\$ 22,938</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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Receipts		
Donations	\$ 595	\$ 695
Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	595	695
Unencumbered Cash, Beginning	<u>2,551</u>	<u>3,146</u>
Unencumbered Cash, Ending	<u><u>\$ 3,146</u></u>	<u><u>\$ 3,841</u></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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <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 STREET PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020 Actual</u>	<u>2021 Actual</u>
Receipts		
Grants	\$ 36,969	\$ 761
Expenditures		
Contractual services	<u>27,755</u>	<u>769</u>
Receipts Over (Under) Expenditures	9,214	(8)
Unencumbered Cash, Beginning	<u>32,096</u>	<u>41,310</u>
Unencumbered Cash, Ending	<u>\$ 41,310</u>	<u>\$ 41,302</u>

CITY OF DOWNS, KANSAS

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

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2021</u>			Variance - Over (Under)
	2020 Actual	Actual	Budget	
Receipts				
Ad valorem tax	\$ 45,467	\$ 44,331	\$ 45,426	\$ (1,095)
Delinquent tax	1,490	839	500	339
Motor vehicle tax	8,735	9,368	8,425	943
Recreational vehicle tax	141	169	167	2
16/20M vehicle tax	81	53	79	(26)
Commercial vehicle tax	381	440	403	37
Watercraft tax	81	82	87	(5)
Transfer from General Fund	-	125,000	-	125,000
Transfer from Water and Sewer Utility Fund	70,500	50,000	75,000	(25,000)
Total Receipts	<u>126,876</u>	<u>230,282</u>	<u>\$ 130,087</u>	<u>\$ 100,195</u>
Expenditures				
Water loan - principal payment	24,722	103,011	\$ 25,643	\$ 77,368
Water loan - interest payment	6,346	29,389	5,425	23,964
Sewer loan - principal payment	79,098	81,144	81,144	-
Sewer loan - interest payment	19,802	16,027	17,838	(1,811)
Cash basis reserve	-	-	248	(248)
Total Expenditures	<u>129,968</u>	<u>229,571</u>	<u>\$ 130,298</u>	<u>\$ 99,273</u>
Receipts Over (Under) Expenditures	(3,092)	711		
Unencumbered Cash, Beginning	3,225	133		
Unencumbered Cash, Ending	<u>\$ 133</u>	<u>\$ 844</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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2021			Variance - Over (Under)
	2020 Actual	Actual	Budget	
Receipts				
Water charges	\$ 361,433	\$ 391,597	\$ 350,000	\$ 41,597
Connection fees	1,006	1,250	100	1,150
Reimbursed expenses	4,703	646	-	646
Miscellaneous	8,127	9,455	1,000	8,455
Loan proceeds	836,342	660,375	-	660,375
CDBG proceeds	330,765	264,235	-	264,235
Expansion contribution	1,300	300	-	300
Total Receipts	<u>1,543,676</u>	<u>1,327,858</u>	<u>\$ 351,100</u>	<u>\$ 976,758</u>
Expenditures				
Water Production				
Personal services	30,991	30,364	\$ 25,000	\$ 5,364
Contractual services	44,445	53,460	69,000	(15,540)
Commodities	151,248	96,406	55,000	41,406
Sewer				
Personal services	28,261	29,095	23,000	17,329
Contractual services	11,838	29,915	22,000	1,251
Commodities	23,513	9,945	7,000	1,867
General & Administration				
Personal services	33,161	42,329	25,000	6,095
Contractual services	25,361	26,251	25,000	7,915
Commodities	2,505	2,867	1,000	2,945
Other Expenditures				
Miscellaneous	-	-	875	(875)
Sales tax	3,434	2,516	2,500	16
Water protection fee	1,850	1,891	2,500	(609)
Water treatment plant	1,055,192	924,690	-	924,690
Transfer to Bond and Interest Fund	70,500	50,000	70,000	(20,000)
Transfer to General Fund	25,000	25,000	-	25,000
Cash forward	-	-	23,225	(23,225)
Total Expenditures	<u>1,507,299</u>	<u>1,324,729</u>	<u>\$ 351,100</u>	<u>\$ 973,629</u>
Receipts Over (Under) Expenditures	36,377	3,129		
Unencumbered Cash, Beginning	<u>(38,359)</u>	<u>(1,982)</u>		
Unencumbered Cash, Ending	<u>\$ (1,982)</u>	<u>\$ 1,147</u>		

CITY OF DOWNS, KANSAS

TRUST FUND

CEMETERY ENDOWMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</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, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</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, 2021

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Water Meter Deposit Fund	\$ 41,322	\$ 4,857	\$ 4,733	\$ 41,446