

**CITY OF LITTLE RIVER, KANSAS**

Primary Government Financial Statement  
With Independent Auditors' Report

For the Year Ended December 31, 2019

**CITY OF LITTLE RIVER, KANSAS**  
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For the Year Ended December 31, 2019

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## INDEPENDENT AUDITORS' REPORT

To the City Council  
**City of Little River, Kansas**  
Little River, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Little River, Kansas**, 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from 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, the financial statement is prepared by **City of Little River, Kansas** on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis

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

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

In our opinion, because of the significance of the matters discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **City of Little River, Kansas** 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 **City of Little River, Kansas** 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 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 summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of **City of Little River, Kansas** as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated July 8, 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://admin.ks.gov/offices/chief-financial-officer/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.

*Adams, Brown, Beran & Ball, Chartered*

**ADAMS, BROWN, BERAN & BALL, CHTD.**

Certified Public Accountants

July 13, 2020

**CITY OF LITTLE RIVER, KANSAS**  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>							
<b>General Fund</b>	\$ 266,534	-	277,134	250,366	<b>293,302</b>	7,591	<b>300,893</b>
<b>Special Purpose Funds</b>							
Library Fund	131	-	11,217	11,348	-	-	-
Employee Benefits Fund	2,065	-	16,478	18,046	<b>497</b>	-	<b>497</b>
Special Highway Fund	10,864	-	14,364	25,228	-	-	-
Special Parks and Recreation Fund	2,128	-	1,266	833	<b>2,561</b>	-	<b>2,561</b>
Equipment Reserve Fund	51,177	-	60,000	50,434	<b>60,743</b>	-	<b>60,743</b>
<b>Bond and Interest Fund</b>							
Bond and Interest Fund	1,065	-	2,405	2,428	<b>1,042</b>	-	<b>1,042</b>
<b>Business Funds</b>							
Gas Utility Fund	154,337	-	221,878	238,383	<b>137,832</b>	7,214	<b>145,046</b>
Water Utility Fund	140,402	-	135,517	148,599	<b>127,320</b>	5,664	<b>132,984</b>
Sewer Utility Fund	68,511	-	84,361	80,378	<b>72,494</b>	5,436	<b>77,930</b>
Sewer Reserve Fund	-	-	5,000	-	<b>5,000</b>	-	<b>5,000</b>
Solid Waste Fund	14,678	-	34,247	37,804	<b>11,121</b>	2,603	<b>13,724</b>
<b>Total Primary Government (Excluding Agency Funds)</b>	<b>\$ 711,892</b>	<b>-</b>	<b>863,867</b>	<b>863,847</b>	<b>711,912</b>	<b>28,508</b>	<b>740,420</b>
<b>Composition of Cash</b>				Certificates of Deposit		\$	<b>293,310</b>
				Checking Accounts			<b>493,700</b>
				Petty Cash			<b>100</b>
				Total Cash			<b>787,110</b>
				Agency Funds per Schedule 3			<b>(46,690)</b>
				<b>Total Primary Government (Excluding Agency Funds)</b>		<b>\$</b>	<b>740,420</b>

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

## CITY OF LITTLE RIVER, KANSAS

### Notes to Financial Statement

December 31, 2019

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**City of Little River, Kansas** has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

##### **Financial Reporting Entity**

The City is a municipal corporation governed by an elected six-member council. This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

##### **Public Library**

The City's Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Unaudited financial statements can be obtained by contacting the library.

##### **Basis of Presentation – Fund Accounting**

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2019.

##### **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 revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

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

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

##### **Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The KMAAG regulatory basis of accounting involves the recognition of cash,

## **CITY OF LITTLE RIVER, KANSAS**

### **Notes to Financial Statement**

December 31, 2019

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

#### **Reimbursements**

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

#### **NOTE 2 – 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:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.



## **CITY OF LITTLE RIVER, KANSAS**

### **Notes to Financial Statement**

December 31, 2019

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A legal operating budget is not required for capital project funds, trust funds, and the following special purpose fund: Equipment Reserve Fund.

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.

#### **NOTE 3 – DEPOSITS AND INVESTMENTS**

**City of Little River, Kansas** follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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 K.S.A. 9-1405.

##### **Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2019.

At December 31, 2019, the City's carrying amount of deposits was \$787,110 and the bank balance was \$794,719. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$254,122 was covered by federal depository insurance and \$540,597 was collateralized with securities held by the pledging financial institutions' 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. The City had no investments at December 31, 2019.

#### **NOTE 4 – INTERFUND TRANSFERS**

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as

## CITY OF LITTLE RIVER, KANSAS

### Notes to Financial Statement

December 31, 2019

authorized by Kansas statutes. **City of Little River, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2019 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Sewer Reserve Fund	K.S.A. 12-825d	\$ 5,000
Gas Utility Fund	Equipment Reserve Fund	K.S.A. 12-825d	30,000
Water Utility Fund	Equipment Reserve Fund	K.S.A. 12-825d	25,000
Solid Waste Fund	Equipment Reserve Fund	K.S.A. 12-825d	5,000
Sewer Utility Fund	General Fund	K.S.A. 12-825d	10,000

#### NOTE 5 – LITIGATION

**City of Little River, Kansas** is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

#### NOTE 6 – RISK MANAGEMENT

**City of Little River, Kansas** carries commercial insurance for risks of loss, including property, crime, general liability, inland marine, automobile, workers' compensation, linebacker and law enforcement. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### NOTE 7 – GRANTS AND SHARED REVENUES

**City of Little River, Kansas** participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

#### NOTE 8 – DEFINED BENEFIT PENSION PLAN

##### General Information about the Pension Plan

##### Plan Description

**City of Little River, Kansas** 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 S 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

## **CITY OF LITTLE RIVER, KANSAS**

### **Notes to Financial Statement**

December 31, 2019

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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, 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 \$14,641 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 \$119,112. 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.

#### **NOTE 9 – OTHER POST EMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, **City of Little River, Kansas** 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.

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2019.

#### **NOTE 10 – COMPENSATED ABSENCES**

##### **Vacation**

The City's policy regarding vacation for all regular full-time employees is as follows:

## CITY OF LITTLE RIVER, KANSAS

### Notes to Financial Statement

December 31, 2019

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<u>Years Worked</u>	<u>Amount Earned</u>
1	5 days
2-9	10 days
10 and over	15 days

Vacation may not be taken until the employee completes one full year of continuous service. Unused vacation may not be carried over to the following year unless approved by the council.

#### **Sick Leave**

The City's policy for sick leave permits all full-time employees to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 480 hours.

#### **NOTE 11 – SUBSEQUENT EVENTS**

Subsequent to year end, the United States experienced a nationwide pandemic from the novel coronavirus known as COVID-19. As a result of the spread of COVID-19, economic uncertainties have arisen which are likely to negatively impact the entire United States economy. As of the date of this financial statement, management is unable to reasonably determine the effects of this virus on the operations of the City. Management has evaluated subsequent events through July 13, 2020, which is the date the financial statement was available to be issued.

#### **NOTE 12 – LONG-TERM DEBT**

**City of Little River, Kansas** has the following types of long-term debt.

##### **General Obligation Bonds**

On January 21, 2011, the City issued \$42,000 in series 2011-BI general obligation bonds for the purpose of constructing a new City shop and public building.

##### **KDHE Revolving Loans**

The City entered into a \$235,832 revolving loan agreement on November 18, 2004 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction of a fourth cell and new piping to the existing cell wastewater treatment lagoon. This loan was amended on January 3, 2007 to reduce the amount of the loan to \$190,383 and changing the semiannual payment from \$7,704 to \$6,130.

The City entered into a \$396,000 revolving loan agreement on October 22, 2007 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction of a new water transmission main, replace distribution system piping, replace electrical distribution equipment at the well field, construct new well manifold piping, and add a new telemetry system. This loan was amended on October 6, 2008 to increase the amount of the loan to \$520,840 and changed the semiannual payment from \$14,060 to \$18,493. The loan was again amended on March 29, 2012 to reduce the amount of the loan to \$507,394 and changed the semiannual payment from \$18,493 to \$17,587.

##### **Lease Obligations**

The City has entered into a lease agreement for equipment. The lease contains a fiscal funding clause.

**CITY OF LITTLE RIVER, KANSAS**  
Notes to Financial Statement  
December 31, 2019

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
<b>General Obligation Bonds</b>									
Series 2011-BI	4%	01/2011	\$ 42,000	2041	\$ 35,100	-	1,025	<b>34,075</b>	1,404
<b>KDHE Loans</b>									
Kansas Water Pollution Control Revolving Project No. C20 1615 01	2.75%	01/2007	190,383	2026	82,574	-	10,057	<b>72,517</b>	2,002
Kansas Water Supply Loan Fund Project No. 2514	3.67%	03/2012	507,394	2031	350,107	-	22,530	<b>327,577</b>	11,438
<b>Capital Lease</b>									
Skid Steer	4.00%	01/2017	37,784	2020	17,799	-	8,724	<b>9,075</b>	722
<b>Total Contractual Indebtedness</b>					<b>\$ 485,580</b>	<b>-</b>	<b>42,336</b>	<b>443,244</b>	<b>15,566</b>

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	2025-2029	2030-2034	2035-2039	2040-2041	Total
Principal											
General Obligation Bonds	\$	1,066	1,109	1,153	1,199	1,245	7,024	8,546	10,397	2,336	34,075
KDHE Loans		33,701	34,852	36,044	37,277	38,552	168,786	50,882	-	-	400,094
Capital Lease		9,075	-	-	-	-	-	-	-	-	9,075
Total Principal		43,842	35,961	37,197	38,476	39,797	175,810	59,428	10,397	2,336	443,244
Interest											
General Obligation Bonds		1,363	1,320	1,276	1,230	1,182	5,120	3,599	1,747	93	16,930
KDHE Loans		12,432	11,389	10,310	9,193	8,038	23,048	1,700	-	-	76,110
Capital Lease		371	-	-	-	-	-	-	-	-	371
Total Interest		14,166	12,709	11,586	10,423	9,220	28,168	5,299	1,747	93	93,411
Total Principal and Interest	\$	58,008	48,670	48,783	48,899	49,017	203,978	64,727	12,144	2,429	536,655

**CITY OF LITTLE RIVER, KANSAS**

Regulatory-Required Supplementary Information

**CITY OF LITTLE RIVER, KANSAS**  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Type Funds</b>					
<b>General Fund</b>	\$ 380,699	-	380,699	<b>250,366</b>	(130,333)
<b>Special Purpose Funds</b>					
Library Fund	11,400	-	11,400	<b>11,348</b>	(52)
Employee Benefits Fund	19,000	-	19,000	<b>18,046</b>	(954)
Special Highway Fund	25,416	-	25,416	<b>25,228</b>	(188)
Special Parks and Recreation Fund	3,087	-	3,087	<b>833</b>	(2,254)
<b>Bond and Interest Fund</b>					
Bond and Interest Fund	2,929	-	2,929	<b>2,428</b>	(501)
<b>Business Funds</b>					
Gas Utility Fund	301,144	-	301,144	<b>238,383</b>	(62,761)
Water Utility Fund	246,858	-	246,858	<b>148,599</b>	(98,259)
Sewer Utility Fund	122,584	-	122,584	<b>80,378</b>	(42,206)
Solid Waste Fund	42,838	-	42,838	<b>37,804</b>	(5,034)

**CITY OF LITTLE RIVER, 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)

			Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)	
<b>Receipts</b>					
Taxes and Shared Revenues					
Ad Valorem Property	\$ 81,961	<b>85,847</b>	88,824	(2,977)	
Delinquent	2,633	<b>1,175</b>	-	1,175	
Motor Vehicle	22,049	<b>19,600</b>	19,384	216	
Recreational Vehicle	273	<b>227</b>	361	(134)	
16/20M Vehicle	-	<b>10</b>	63	(53)	
Commercial Vehicle	310	-	88	(88)	
Sales Tax	63,870	<b>71,140</b>	65,000	6,140	
Compensating Use Tax	18,045	<b>22,449</b>	17,000	5,449	
Liquor Tax	1,364	<b>1,266</b>	1,399	(133)	
Federal Aid	300	-	-	-	
Franchise Fees	12,725	<b>13,548</b>	12,500	1,048	
Licenses, Permits and Fees	384	<b>464</b>	500	(36)	
Fines	1,747	<b>2,888</b>	2,000	888	
Interest Income	3,916	<b>6,018</b>	1,500	4,518	
Utility Penalties Collected	5,109	<b>4,727</b>	4,500	227	
Miscellaneous Income	18,931	<b>43,863</b>	5,000	38,863	
Transfers In	20,000	<b>10,000</b>	10,000	-	
Neighborhood Revitalization	(4,462)	<b>(6,088)</b>	(6,180)	92	
<b>Total Receipts</b>	<b>249,155</b>	<b>277,134</b>	<b>221,939</b>	<b>55,195</b>	
<b>Expenditures</b>					
General Government	141,059	<b>166,556</b>	177,023	(10,467)	
Public Safety	7,214	<b>17,631</b>	35,500	(17,869)	
Street Lights	8,618	<b>9,799</b>	12,000	(2,201)	
Streets	12,842	<b>46,589</b>	40,000	6,589	
Parks and Recreation	70	-	4,500	(4,500)	
Library	4	-	2,725	(2,725)	
Capital Outlay	-	-	100,951	(100,951)	
Miscellaneous	13,389	<b>4,791</b>	3,000	1,791	
Transfers Out	52,153	<b>5,000</b>	5,000	-	
<b>Total Expenditures</b>	<b>235,349</b>	<b>250,366</b>	<b>380,699</b>	<b>(130,333)</b>	
<b>Receipts Over (Under) Expenditures</b>	<b>13,806</b>	<b>26,768</b>			
<b>Unencumbered Cash - Beginning</b>	<b>252,728</b>	<b>266,534</b>			
<b>Unencumbered Cash - Ending</b>	<b>\$ 266,534</b>	<b>293,302</b>			



**CITY OF LITTLE RIVER, KANSAS**  
**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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 8,761	<b>9,657</b>	9,992	(335)
Delinquent	276	<b>125</b>	-	125
Motor Vehicle	2,359	<b>2,095</b>	2,072	23
Recreational Vehicle	29	<b>24</b>	38	(14)
16/20M Vehicle	-	<b>1</b>	7	(6)
Commercial Vehicle	33	<b>-</b>	9	(9)
Neighborhood Revitalization	(477)	<b>(685)</b>	(642)	(43)
<b>Total Receipts</b>	10,981	<b>11,217</b>	<u>11,476</u>	<u>(259)</u>
<b>Expenditures</b>				
Library Appropriation	10,850	<b>11,348</b>	<u>11,400</u>	<u>(52)</u>
<b>Receipts Over (Under) Expenditures</b>	131	<b>(131)</b>		
<b>Unencumbered Cash - Beginning</b>	-	<b>131</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>131</u>	<u>-</u>		

**CITY OF LITTLE RIVER, KANSAS**  
**Employee Benefits 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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 12,948	<b>14,166</b>	14,657	(491)
Delinquent	405	<b>183</b>	-	183
Motor Vehicle	3,497	<b>3,096</b>	3,062	34
Recreational Vehicle	43	<b>36</b>	57	(21)
16/20M Vehicle	-	<b>2</b>	10	(8)
Commercial Vehicle	49	-	14	(14)
Neighborhood Revitalization	(705)	<b>(1,005)</b>	(941)	(64)
<b>Total Receipts</b>	16,237	<b>16,478</b>	16,859	(381)
<b>Expenditures</b>				
FICA and Medicare	4,346	<b>5,296</b>	4,500	796
KPERS	4,164	<b>5,421</b>	5,000	421
Insurance	8,366	<b>7,329</b>	9,500	(2,171)
<b>Total Expenditures</b>	16,876	<b>18,046</b>	19,000	(954)
<b>Receipts Over (Under) Expenditures</b>	(639)	<b>(1,568)</b>		
<b>Unencumbered Cash - Beginning</b>	2,704	<b>2,065</b>		
<b>Unencumbered Cash - Ending</b>	\$ 2,065	<b>497</b>		

**CITY OF LITTLE RIVER, KANSAS**  
**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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
State of Kansas - Fuel Tax	\$ 14,457	<b>14,364</b>	14,530	(166)
<b>Expenditures</b>				
Contractual	17,875	<b>25,228</b>	25,416	(188)
<b>Receipts Over (Under) Expenditures</b>	(3,418)	<b>(10,864)</b>		
<b>Unencumbered Cash - Beginning</b>	14,282	<b>10,864</b>		
<b>Unencumbered Cash - Ending</b>	\$ 10,864	<b>-</b>		

**CITY OF LITTLE RIVER, KANSAS**  
**Special Parks and Recreation 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Liquor Tax	\$ 1,364	<b>1,266</b>	1,399	(133)
Miscellaneous	106	-	-	-
<b>Total Receipts</b>	1,470	<b>1,266</b>	1,399	(133)
<b>Expenditures</b>				
Contractual	39	<b>210</b>	-	210
Commodities	1,131	<b>623</b>	1,900	(1,277)
Capital Outlay	-	-	1,187	(1,187)
<b>Total Expenditures</b>	1,170	<b>833</b>	3,087	(2,254)
<b>Receipts Over (Under) Expenditures</b>	300	<b>433</b>		
<b>Unencumbered Cash - Beginning</b>	1,828	<b>2,128</b>		
<b>Unencumbered Cash - Ending</b>	\$ 2,128	<b>2,561</b>		

**CITY OF LITTLE RIVER, KANSAS**  
**Equipment Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 30,000	<b>60,000</b>
<b>Expenditures</b>		
Contractual	9,446	<b>9,446</b>
Commodities	-	<b>31,544</b>
Capital Outlay	10,010	<b>9,444</b>
<b>Total Expenditures</b>	19,456	<b>50,434</b>
<b>Receipts Over (Under) Expenditures</b>	10,544	<b>9,566</b>
<b>Unencumbered Cash - Beginning</b>	40,633	<b>51,177</b>
<b>Unencumbered Cash - Ending</b>	\$ 51,177	<b>60,743</b>

**CITY OF LITTLE RIVER, KANSAS**  
**Bond and Interest 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 2,952	1,732	1,791	(59)
Delinquent	71	23	-	23
Motor Vehicle	539	706	698	8
Recreational Vehicle	7	8	13	(5)
16/20M Vehicle	-	-	2	(2)
Commercial Vehicle	8	-	3	(3)
Interest Income	69	59	20	39
Neighborhood Revitalization	(161)	(123)	(115)	(8)
<b>Total Receipts</b>	3,485	2,405	2,412	(7)
<b>Expenditures</b>				
Principal	985	1,025	1,025	-
Interest	1,443	1,403	1,404	(1)
Cash Basis Reserve	-	-	500	(500)
<b>Total Expenditures</b>	2,428	2,428	2,929	(501)
<b>Receipts Over (Under) Expenditures</b>	1,057	(23)		
<b>Unencumbered Cash - Beginning</b>	8	1,065		
<b>Unencumbered Cash - Ending</b>	\$ 1,065	1,042		

**CITY OF LITTLE RIVER, KANSAS**  
**CDBG Grant Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Donations	\$ 114,278	-
Federal Aid	168,100	-
Transfers In	42,153	-
<b>Total Receipts</b>	324,531	-
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	324,531	-
<b>Unencumbered Cash - Beginning</b>	(324,531)	-
<b>Unencumbered Cash - Ending</b>	\$ -	-

**CITY OF LITTLE RIVER, KANSAS**  
**Gas Utility 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services	\$ 182,022	<b>202,279</b>	180,000	22,279
Turn On Fees	1,000	<b>1,450</b>	1,650	(200)
Sales Tax	3,821	<b>4,177</b>	3,700	477
Miscellaneous	2,251	<b>13,972</b>	1,100	12,872
<b>Total Receipts</b>	<u>189,094</u>	<u><b>221,878</b></u>	<u>186,450</u>	<u>35,428</u>
<b>Expenditures</b>				
Personal Services	43,579	<b>45,205</b>	49,000	(3,795)
Contractual	39,077	<b>63,988</b>	52,000	11,988
Commodities	72,817	<b>94,944</b>	80,000	14,944
Capital Outlay	-	-	86,144	(86,144)
Sales Tax	3,928	<b>4,181</b>	4,000	181
Miscellaneous	-	<b>65</b>	-	65
Transfers Out	25,000	<b>30,000</b>	30,000	-
<b>Total Expenditures</b>	<u>184,401</u>	<u><b>238,383</b></u>	<u>301,144</u>	<u>(62,761)</u>
<b>Receipts Over (Under) Expenditures</b>	4,693	<b>(16,505)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>149,644</u>	<u><b>154,337</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>154,337</u>	<u><b>137,832</b></u>		



**CITY OF LITTLE RIVER, KANSAS**  
**Water Utility 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services	\$ 141,295	<b>132,049</b>	143,000	(10,951)
Turn On Fees	1,206	<b>1,500</b>	1,500	-
Water Protection Fee	736	<b>557</b>	760	(203)
Sales Tax	670	<b>661</b>	700	(39)
Miscellaneous	1,495	<b>750</b>	1,000	(250)
<b>Total Receipts</b>	145,402	<b>135,517</b>	146,960	(11,443)
<b>Expenditures</b>				
Personal Services	44,690	<b>46,826</b>	51,000	(4,174)
Contractual	24,187	<b>22,781</b>	30,000	(7,219)
Commodities	10,724	<b>13,982</b>	17,500	(3,518)
Capital Outlay	-	-	83,564	(83,564)
Principal	21,726	<b>22,530</b>	22,530	-
Interest	12,166	<b>11,438</b>	11,438	-
Service Fees	1,283	<b>1,206</b>	1,206	-
Sales Tax	669	<b>693</b>	620	73
Miscellaneous	3,788	<b>4,143</b>	4,000	143
Transfers Out	10,000	<b>25,000</b>	25,000	-
<b>Total Expenditures</b>	129,233	<b>148,599</b>	246,858	(98,259)
<b>Receipts Over (Under) Expenditures</b>	16,169	<b>(13,082)</b>		
<b>Unencumbered Cash - Beginning</b>	124,233	<b>140,402</b>		
<b>Unencumbered Cash - Ending</b>	\$ 140,402	<b>127,320</b>		

**CITY OF LITTLE RIVER, KANSAS**  
**Sewer Utility 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)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
<b>Receipts</b>				
Charges for Services	\$ 84,201	<b>84,361</b>	72,000	12,361
Miscellaneous	1,188	-	500	(500)
<b>Total Receipts</b>	85,389	<b>84,361</b>	<u>72,500</u>	<u>11,861</u>
<b>Expenditures</b>				
Personal Services	32,528	<b>33,834</b>	37,000	(3,166)
Contractual	38,396	<b>21,592</b>	25,000	(3,408)
Commodities	2,349	<b>2,693</b>	4,000	(1,307)
Capital Outlay	-	-	34,325	(34,325)
Principal	9,786	<b>10,057</b>	10,057	-
Interest	2,248	<b>2,002</b>	2,002	-
Service Fees	225	<b>200</b>	200	-
Miscellaneous	1,689	-	-	-
Transfers Out	-	<b>10,000</b>	10,000	-
<b>Total Expenditures</b>	87,221	<b>80,378</b>	<u>122,584</u>	<u>(42,206)</u>
<b>Receipts Over (Under) Expenditures</b>	(1,832)	<b>3,983</b>		
<b>Unencumbered Cash - Beginning</b>	70,343	<b>68,511</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>68,511</u>	<u><b>72,494</b></u>		

**CITY OF LITTLE RIVER, KANSAS**  
**Sewer Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ -	5,000
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	-	5,000
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	5,000

**CITY OF LITTLE RIVER, KANSAS**  
**Solid Waste 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Charges for Services	\$ 32,441	<b>33,391</b>	32,500	891
Miscellaneous	-	<b>856</b>	-	856
<b>Total Receipts</b>	32,441	<b>34,247</b>	32,500	1,747
<b>Expenditures</b>				
Contractual	30,260	<b>32,603</b>	33,000	(397)
Commodities	141	<b>201</b>	-	201
Capital Outlay	-	-	4,838	(4,838)
Transfers Out	5,000	<b>5,000</b>	5,000	-
<b>Total Expenditures</b>	35,401	<b>37,804</b>	42,838	(5,034)
<b>Receipts Over (Under) Expenditures</b>	(2,960)	<b>(3,557)</b>		
<b>Unencumbered Cash - Beginning</b>	17,638	<b>14,678</b>		
<b>Unencumbered Cash - Ending</b>	\$ 14,678	<b>11,121</b>		

**CITY OF LITTLE RIVER, KANSAS**  
**Agency Funds**  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2019

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing Account	\$ -	101,749	101,749	-
Young Historical Library	4,646	3,733	1,074	<b>7,305</b>
Little River Beautifications	380	16,800	13,310	<b>3,870</b>
Fire Department	31,281	29,613	25,379	<b>35,515</b>
<b>Total</b>	<b>\$ 36,307</b>	<b>151,895</b>	<b>141,512</b>	<b>46,690</b>