

CITY OF POMONA, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2020

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CITY OF POMONA, KANSAS
FINANCIAL STATEMENTS
Year ending December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Pomona, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Pomona, Kansas (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" 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 the City as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2020, 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, 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.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 30, 2021

CITY OF POMONA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2020

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Adjustment</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add: Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
General Funds:							
General Fund	\$ 589,128	\$ -	\$ 810,593	\$ 365,840	\$ 1,033,881	\$ -	\$ 1,033,881
Special Purpose Funds:							
Employee Benefits Fund	7,547	-	67,482	39,295	35,734	-	35,734
Fire Protection Fund	424	-	127	551	-	-	-
Pomona Community Library Fund	1,779	-	54,690	54,716	1,753	-	1,753
Special Highway Fund	72,624	-	21,347	176	93,795	-	93,795
Special Parks and Recreation Fund	12,278	-	1,809	-	14,087	-	14,087
Community Building Fund	1,779	-	460	595	1,644	-	1,644
Sales Tax - Street Project Fund	80,316	-	96,657	77,945	99,028	-	99,028
Capital Projects Funds:							
Capital Improvement Fund	468,137	-	2,985,596	2,700,015	753,718	-	753,718
Street Capital Improvement Fund	134,251	-	-	-	134,251	-	134,251
Business Funds:							
Electric Utility Fund	642,184	-	853,209	997,691	497,702	35,106	532,808
Water Utility Fund	58,190	-	180,195	162,690	75,695	7,250	82,945
Sewer Utility Fund	785,116	-	1,679,562	2,092,128	372,550	7,250	379,800
Sewer Reserve Fund	144	-	-	-	144	-	144
Water Construction Reserve Fund	61,261	-	48,915	48,000	62,176	-	62,176
Electric Savings Reserve Fund	38,572	-	63	-	38,635	-	38,635
Water Savings Reserve Fund	47,890	-	78	-	47,968	-	47,968
Sewer Savings Reserve Fund	25,178	-	41	-	25,219	-	25,219
Total	<u>\$ 3,026,798</u>	<u>\$ -</u>	<u>\$ 6,800,824</u>	<u>\$ 6,539,642</u>	<u>\$ 3,287,980</u>	<u>\$ 49,606</u>	<u>\$ 3,337,586</u>

Composition of Cash:

Goppert State Savings Bank	
Checking	\$ 3,289,619
Money Market	48,686
Total Cash	3,338,305
Less: Agency Funds per Schedule 3	[719]
Total Reporting Entity (excluding Agency Funds)	<u>\$ 3,337,586</u>

CITY OF POMONA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Pomona, Kansas, (the City) is a municipal corporation governed by a mayor and a five member council. These financial statements present the City and any related municipal entities for which the City is considered to be financially accountable. The City has no related municipal entities.

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 regulatory 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.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2020:

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.

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.)

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

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. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

CITY OF POMONA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipt 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. The 2020 budget was amended for the Sewer fund.

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 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.

A legal operating budget is not required for the capital project funds, the business savings reserve funds, and the agency funds.

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 2 - Deposits

Deposits. 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.

Investments. 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. As of December 31, 2020, the City held no such investments.

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.

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 has no designated "peak periods." All deposits were legally secured at December 31, 2020

CITY OF POMONA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 2 - Deposits (Continued)

At December 31, 2020, the City's carrying amount of deposits was \$3,337,586 and the bank balance was \$3,353,838. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, \$3,103,838 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.

NOTE 3 - Retirement 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 by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, 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 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$13,052 for the year ended December 31, 2020.

Net Pension Liability. At December 31, 2020, the City's proportionate share of the collective net pension liability reported by KPERS was \$158,872. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. 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 of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

CITY OF POMONA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 4 - Long-Term Debt

During the year ended December 31, 2020, the following changes occurred in long term liabilities:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
Paid by Utility Revenues					
General Obligation bonds	\$ 755,391	\$ 2,985,000	\$ 106,957	\$ 3,633,434	\$ 19,425
Revolving loans	<u>1,303,972</u>	<u>1,461,092</u>	<u>2,747,641</u>	<u>17,423</u>	<u>32,359</u>
Total	<u>\$ 2,059,364</u>	<u>\$ 4,446,092</u>	<u>\$ 2,854,598</u>	<u>\$ 3,650,858</u>	<u>\$ 51,784</u>

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for the proprietary funds if they are expected to be repaid from proprietary fund regulatory receipts. General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued with equal amounts of principal maturing each year.

General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Date Issued</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance December 31, 2020</u>
Paid by Tax Revenues					
Series 2016 GO Bonds	5/24/2016	7/15/2026	.75-2.0%	\$ 715,000	\$ 440,000
Paid by Utility Revenues					
Series 2004 Water Distribution					
Improvement Bonds	10/1/2004	10/1/2037	4.50%	642,300	208,434
Series 2020 GO Bonds	12/23/2020	12/23/2060	1.75%	<u>2,985,000</u>	<u>2,985,000</u>
Total GO Bonds				<u>\$ 4,342,300</u>	<u>\$ 3,633,434</u>

CITY OF POMONA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 4 - Long-Term Debt (Continued)

The annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest
2020	81,614	27,715
2021	82,136	26,317
2022	82,683	24,826
2023	88,253	23,205
2024	88,850	21,372
2025 - 2029	229,177	79,979
2030 - 2034	98,670	56,062
2035 - 2036	4,008	180
	<u>\$ 755,391</u>	<u>\$ 259,657</u>

On December 23, 2020, the City issued General Obligation Bonds, Series 2020 in the amount of \$2,985,000. The bonds carry an interest rate of 1.75% with a final maturity date of December 23, 2060. The proceeds of the bonds were used to pay a portion of the costs of the Improvements and pay the KDHE Loan and thereby finance a portion of the costs of the Improvements.

Revolving Loan. On March 5, 2018, the City entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) for a Water Pollution Control Revolving Loan up to the amount of \$3,471,220, with an interest rate of 1.88% and service fee rate of .25%. As of December 31, 2020, the City has drawn \$2,802,280 on the loan and repaid \$2,784,857 in principal on the loan. An amortization schedule for the loan is not yet available since the loan has not been finalized. The purpose of the loan is to fund sanitary sewer system improvements throughout the City.

NOTE 5 - Risk Management

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 carries commercial insurance for these risks of loss, including related lost regulatory receipts. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

NOTE 6 - Compensated Absences

It is the City's policy to grant employees annual vacation and sick leave in varying amounts depending on length of service. Annual vacation leave is accumulated at the rate of one half day per month for year one; 1 day per month for years 2 through 5; 1.25 days per month for years 6 through 10; and 2.5 days per month for each year after 10. Vacation days can accumulate up to 30 days.

The liability for compensated absences at December 31, 2020, was \$6,789.

Under City policy, a maximum of 10 days of vacation leave per year can be sold back to the City by the employee's anniversary date. Upon resignation or termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay. The cost of this policy for 2020 was \$0.

CITY OF POMONA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7 - Other Long-Term Obligations from Operations

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

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

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employers 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, 2018.

NOTE 8 - Interfund Transfers

A reconciliation of transfers by fund type for 2020 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Electric	General	<u>\$ 469,428</u>	K.S.A. 12-825d

NOTE 9 - Statutory Violations

The City was in violation of K.S.A. 10-130, which requires bond payments to be remitted to the Office of the State Treasurer no less than 20 days before the redemption of such bonds and the payment of the interest thereon. 4 bond payments made during 2020 were received by the Office of the State Treasurer less than 20 days before the redemption date.

NOTE 10 - Contingencies

The City is a party to various claims, none of which is expected to have material financial impact on the City.

CITY OF POMONA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2020

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over [Under]</u>
General Funds:					
General Fund	\$ 661,075	\$ -	\$ 661,075	\$ 365,840	\$ 295,235
Special Purpose Funds:					
Employee Benefits Fund	74,868	-	74,868	39,295	35,573
Fire Protection Fund	4,273	-	4,273	551	3,722
Pomona Community Library Fund	73,860	-	73,860	54,716	19,144
Special Highway Fund	89,562	-	89,562	176	89,386
Special Parks and Recreation Fund	11,825	-	11,825	-	11,825
Community Building Fund	7,930	-	7,930	595	7,335
Sales Tax-Street Project Fund	260,000	-	260,000	77,945	182,055
Business Funds:					
Electric Utility Fund	1,243,700	-	1,243,700	997,691	246,009
Water Utility Fund	253,650	-	253,650	162,690	90,960
Sewer Utility Fund	2,262,799	-	2,262,799	2,092,128	170,671
Sewer Reserve Fund	-	-	-	-	-
Water Construction Reserve Fund	99,033	-	99,033	48,000	51,033

See independent auditor's report on the financial statements.

SCHEDULE 2 - 1

CITY OF POMONA, KANSAS

GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 243,747	\$ 217,685	\$ 26,062
Licenses and permits	8,521	7,900	621
Fines and fees	58,115	58,500	[385]
Use of money and property	2,759	1,500	1,259
Reimbursements	27,247	3,500	23,747
Miscellaneous	776	7,000	[6,224]
Transfers in	<u>469,428</u>	<u>-</u>	<u>469,428</u>
Total Receipts	<u>810,593</u>	<u>\$ 296,085</u>	<u>\$ 514,508</u>
Expenditures			
General administration	185,687	\$ 298,000	\$ 112,313
Public safety	73,446	72,000	[1,446]
Zoning and building	6,998	10,500	3,502
Parks and cemetery	42,821	8,000	[34,821]
Refuse	49,168	60,000	10,832
Community building	6,614	12,500	5,886
Capital outlay	-	200,000	200,000
Library	100	-	[100]
Miscellaneous	<u>1,006</u>	<u>75</u>	<u>[931]</u>
Total Expenditures	<u>365,840</u>	<u>\$ 661,075</u>	<u>\$ 295,235</u>
Receipts Over [Under] Expenditures	444,753		
Unencumbered Cash, Beginning	<u>589,128</u>		
Unencumbered Cash, Ending	<u>\$ 1,033,881</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS
 EMPLOYEE BENEFITS FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 60,096	\$ 65,563	\$ [5,467]
Reimbursements	<u>7,386</u>	<u>6,100</u>	<u>1,286</u>
Total Receipts	<u>67,482</u>	<u>\$ 71,663</u>	<u>\$ [4,181]</u>
Expenditures			
Health insurance	10,160	\$ 25,000	\$ 14,840
Payroll taxes	14,567	21,000	6,433
Retirement	14,568	20,500	5,932
Cash reserve	<u>-</u>	<u>8,368</u>	<u>8,368</u>
Total Expenditures	<u>39,295</u>	<u>\$ 74,868</u>	<u>\$ 35,573</u>
Receipts Over [Under] Expenditures	28,187		
Unencumbered Cash, Beginning	<u>7,547</u>		
Unencumbered Cash, Ending	<u>\$ 35,734</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 3

CITY OF POMONA, KANSAS

FIRE PROTECTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 127	\$ -	\$ 127
Total Receipts	<u>127</u>	<u>-</u>	<u>127</u>
Expenditures			
Contractual	<u>551</u>	\$ 4,273	\$ 3,722
Total Expenditures	<u>551</u>	<u>\$ 4,273</u>	<u>\$ 3,722</u>
Receipts Over [Under] Expenditures	[424]		
Unencumbered Cash, Beginning	<u>424</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

POMONA COMMUNITY LIBRARY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 54,690	\$ 55,785	\$ [1,095]
Intergovernmental	-	18,075	[18,075]
Total Receipts	<u>54,690</u>	<u>\$ 73,860</u>	<u>\$ [19,170]</u>
Expenditures			
Appropriation	<u>54,716</u>	<u>\$ 73,860</u>	<u>\$ 19,144</u>
Total Expenditures	<u>54,716</u>	<u>\$ 73,860</u>	<u>\$ 19,144</u>
Receipts Over [Under] Expenditures	[26]		
Unencumbered Cash, Beginning	<u>1,779</u>		
Unencumbered Cash, Ending	<u>\$ 1,753</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

SPECIAL HIGHWAY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Intergovernmental	\$ 21,347	\$ 22,550	\$ [1,203]
Miscellaneous	<u>-</u>	<u>3,000</u>	<u>[3,000]</u>
Total Receipts	<u>21,347</u>	<u>\$ 25,550</u>	<u>\$ [4,203]</u>
Expenditures			
Contractual	-	\$ 2,500	\$ 2,500
Capital outlay	<u>176</u>	<u>87,062</u>	<u>86,886</u>
Total Expenditures	<u>176</u>	<u>\$ 89,562</u>	<u>\$ 89,386</u>
Receipts Over [Under] Expenditures	21,171		
Unencumbered Cash, Beginning	<u>72,624</u>		
Unencumbered Cash, Ending	<u>\$ 93,795</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

SPECIAL PARKS AND RECREATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 1,809	\$ 4,000	\$ [2,191]
Miscellaneous	<u>-</u>	<u>250</u>	<u>[250]</u>
Total Receipts	<u>1,809</u>	<u>\$ 4,250</u>	<u>\$ [2,441]</u>
Expenditures			
Contractual	<u>-</u>	<u>\$ 11,825</u>	<u>\$ 11,825</u>
Total Expenditures	<u>-</u>	<u>\$ 11,825</u>	<u>\$ 11,825</u>
Receipts Over [Under] Expenditures	1,809		
Unencumbered Cash, Beginning	<u>12,278</u>		
Unencumbered Cash, Ending	<u>\$ 14,087</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 7

CITY OF POMONA, KANSAS

COMMUNITY BUILDING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Use of money and property	\$ 460	\$ 4,000	\$ [3,540]
Total Receipts	<u>460</u>	<u>\$ 4,000</u>	<u>\$ [3,540]</u>
Expenditures			
Contractual	<u>595</u>	\$ 7,930	\$ 7,335
Total Expenditures	<u>595</u>	<u>\$ 7,930</u>	<u>\$ 7,335</u>
Receipts Over [Under] Expenditures	[135]		
Unencumbered Cash, Beginning	<u>1,779</u>		
Unencumbered Cash, Ending	<u>\$ 1,644</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

SALES TAX - STREET PROJECT FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 96,657	\$ 70,000	\$ 26,657
Total Receipts	<u>96,657</u>	<u>\$ 70,000</u>	<u>\$ 26,657</u>
Expenditures			
Capital outlay	-	\$ 10,000	\$ 10,000
Debt service			
Principal	70,000	70,000	-
Interest	7,945	10,000	2,055
Cash reserve	-	170,000	170,000
Total Expenditures	<u>77,945</u>	<u>\$ 260,000</u>	<u>\$ 182,055</u>
Receipts Over [Under] Expenditures	18,712		
Unencumbered Cash, Beginning	<u>80,316</u>		
Unencumbered Cash, Ending	<u>\$ 99,028</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 9

CITY OF POMONA, KANSAS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL *
Regulatory Basis
For the Year Ended December 31, 2020

Receipts	
Bond proceeds	\$ 2,985,000
Use of money and property	<u>596</u>
Total Receipts	<u>2,985,596</u>
Expenditures	
Debt service	
Principal	2,667,641
Interest	32,359
Capital outlay	<u>15</u>
Total Expenditures	<u>2,700,015</u>
Receipts Over [Under] Expenditures	285,581
Unencumbered Cash, Beginning	<u>468,137</u>
Unencumbered Cash, Ending	<u>\$ 753,718</u>

* This fund is not required to be budgeted.

CITY OF POMONA, KANSAS
 STREET CAPITAL IMPROVEMENT FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL *
 Regulatory Basis
 For the Year Ended December 31, 2020

Receipts	
Transfers in	\$ -
Total Receipts	<u>-</u>
Expenditures	
Capital outlay	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	-
Unencumbered Cash, Beginning	<u>134,251</u>
Unencumbered Cash, Ending	<u>\$ 134,251</u>

* This fund is not required to be budgeted.

CITY OF POMONA, KANSAS

ELECTRIC UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ 813,520	\$ 878,200	\$ [64,680]
Sales tax	26,549	31,000	[4,451]
Miscellaneous	13,140	16,001	[2,861]
Total Receipts	<u>853,209</u>	<u>\$ 925,201</u>	<u>\$ [71,992]</u>
Expenditures			
Personal services	126,906	\$ 195,000	\$ 68,094
Contractual	63,813	173,000	109,187
Commodities	336,230	295,000	[41,230]
Capital outlay	591	75,000	74,409
Miscellaneous	723	19,700	18,977
Transfer out	469,428	100,000	[369,428]
Cash reserve	-	386,000	386,000
Total Expenditures	<u>997,691</u>	<u>\$ 1,243,700</u>	<u>\$ 246,009</u>
Receipts Over [Under] Expenditures	[144,482]		
Unencumbered Cash, Beginning	<u>642,184</u>		
Unencumbered Cash, Ending	<u>\$ 497,702</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

WATER UTILITY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ 177,707	\$ 190,000	\$ [12,293]
Miscellaneous	<u>2,488</u>	<u>8,650</u>	<u>[6,162]</u>
Total Receipts	<u>180,195</u>	<u>\$ 198,650</u>	<u>\$ [18,455]</u>
Expenditures			
Personal services	13,562	\$ 63,000	\$ 49,438
Contractual	25,613	34,000	8,387
Commodities	123,515	130,000	6,485
Miscellaneous	-	650	650
Cash reserve	<u>-</u>	<u>26,000</u>	<u>26,000</u>
Total Expenditures	<u>162,690</u>	<u>253,650</u>	<u>90,960</u>
Receipts Over [Under] Expenditures	17,505		
Unencumbered Cash, Beginning	<u>58,190</u>		
Unencumbered Cash, Ending	<u>\$ 75,695</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

SEWER UTILITY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ 215,720	\$ 218,450	\$ [2,730]
Loan proceeds	1,461,092	1,298,902	162,190
Miscellaneous	<u>2,750</u>	<u>5,602</u>	<u>[2,852]</u>
Total Receipts	<u>1,679,562</u>	<u>\$ 1,522,954</u>	<u>\$ 156,608</u>
Expenditures			
Contractual	\$ 2,012,128	\$ 2,222,099	\$ 209,971
Miscellaneous	-	700	700
Debt service			
Principal	<u>80,000</u>	<u>40,000</u>	<u>[40,000]</u>
Total Expenditures	<u>2,092,128</u>	<u>\$ 2,262,799</u>	<u>\$ 170,671</u>
Receipts Over [Under] Expenditures	[412,566]		
Unencumbered Cash, Beginning	<u>785,116</u>		
Unencumbered Cash, Ending	<u>\$ 372,550</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

SEWER RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ -	\$ -	\$ -
Total Receipts	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures			
Miscellaneous	-	\$ -	\$ -
Total Expenditures	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	-		
Unencumbered Cash, Beginning	<u>144</u>		
Unencumbered Cash, Ending	<u>\$ 144</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS

WATER CONSTRUCTION RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ 48,915	\$ 49,000	\$ [85]
Total Receipts	<u>48,915</u>	<u>\$ 49,000</u>	<u>\$ [85]</u>
Expenditures			
Debt service			
Principal	36,957	17,000	[19,957]
Interest	11,043	35,000	23,957
Cash reserve	-	47,033	47,033
Total Expenditures	<u>48,000</u>	<u>\$ 99,033</u>	<u>\$ 51,033</u>
Receipts Over [Under] Expenditures	915		
Unencumbered Cash, Beginning	<u>61,261</u>		
Unencumbered Cash, Ending	<u>\$ 62,176</u>		

See independent auditor's report on the financial statements.

CITY OF POMONA, KANSAS
 ELECTRIC SAVINGS RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL *
 Regulatory Basis
 For the Year Ended December 31, 2020

Receipts	
Use of money and property	\$ 63
Total Receipts	<u>63</u>
Expenditures	
Electric expenses	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	63
Unencumbered Cash, Beginning	<u>38,572</u>
Unencumbered Cash, Ending	<u>\$ 38,635</u>

* This fund is not required to be budgeted.

CITY OF POMONA, KANSAS
 WATER SAVINGS RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL *
 Regulatory Basis
 For the Year Ended December 31, 2020

Receipts	
Use of money and property	\$ 78
Total Receipts	<u>78</u>
Expenditures	
Water expenses	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	78
Unencumbered Cash, Beginning	<u>47,890</u>
Unencumbered Cash, Ending	<u>\$ 47,968</u>

* This fund is not required to be budgeted.

CITY OF POMONA, KANSAS
 SEWER SAVINGS RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL *
 Regulatory Basis
 For the Year Ended December 31, 2020

Receipts	
Use of money and property	\$ 41
Total Receipts	<u>41</u>
Expenditures	
Sewer expenses	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	41
Unencumbered Cash, Beginning	<u>25,178</u>
Unencumbered Cash, Ending	<u>\$ 25,219</u>

* This fund is not required to be budgeted.

SCHEDULE 3

CITY OF POMONA, KANSAS

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2020

	Balance December 31, <u>2019</u>	<u>Receipts</u>	<u>Disbursements</u>	Balance December 31, <u>2020</u>
CDBG Rehabilitation Grant	\$ 107	\$ 367,632	\$ 367,632	\$ 107
Pomona Fire Department Scholarship	<u>610</u>	<u>2</u>	<u>-</u>	<u>612</u>
Total	<u>\$ 717</u>	<u>\$ 367,634</u>	<u>\$ 367,632</u>	<u>\$ 719</u>

See independent auditor's report on the financial statements.