

CITY OF LINWOOD, KANSAS

FINANCIAL STATEMENTS

Year ended December 31, 2019

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CITY OF LINWOOD, KANSAS
Financial Statements
Year ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Linwood, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Linwood, Kansas (the City), as of and for the year ended December 31, 2019, 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; this includes determining that the regulatory basis of accounting in an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City 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, 2019, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Report on 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, the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and the 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

December 8, 2020

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

<u>Funds</u>	Beginning Unencumbered <u>Cash Balance</u>	Prior Year Cancelled <u>Encumbrances</u>	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered <u>Cash Balance</u>	Add Encumbrances and Accounts <u>Payable</u>	Ending Cash <u>Balance</u>
General Fund:							
General	\$ 74,000	\$ -	\$ 222,307	\$ 219,532	\$ 76,775	\$ 2,043	\$ 78,818
Special Purpose Funds:							
Special Highway	89,583	-	11,823	-	101,406	-	101,406
Special Sales Tax	257,095	-	54,642	50,812	260,925	-	260,925
Tornado Donations	-	-	17,371	11,918	5,453	-	5,453
Donations and Other Special Revenue	1,460	-	-	-	1,460	-	1,460
Capital Improvement Reserve	47,387	-	30,000	-	77,387	-	77,387
Parks Improvement Reserve	1,736	-	777	-	2,513	-	2,513
Sewer Improvement Reserve	140,000	-	50,000	-	190,000	-	190,000
Water Improvement Reserve	19,843	-	10,000	-	29,843	-	29,843
Bond and Interest Fund:							
Bond and Interest	3,034	-	369	2,911	492	-	492
Business Funds:							
Water Utility	42,438	-	96,128	105,204	33,362	-	33,362
Sewer Utility	99,059	-	76,639	87,371	88,327	-	88,327
Total Primary Government	<u>\$ 775,635</u>	<u>\$ -</u>	<u>\$ 570,056</u>	<u>\$ 477,748</u>	<u>\$ 867,943</u>	<u>\$ 2,043</u>	<u>\$ 869,986</u>

COMPOSITION OF CASH:

Checking	\$ 16,720
Money market accounts	744,260
Savings accounts	10,731
Certificates of deposit	<u>100,000</u>

Total Ending Cash Balance 871,711

Less Agency Fund Cash Balance (Schedule 3) [1,725]

Total Reporting Entity \$ 869,986

CITY OF LINWOOD, KANSAS

Notes to the Financial Statements December 31, 2019

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Linwood (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 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, 2019:

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 receipts 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.

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.)

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 fund, 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 the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.

CITY OF LINWOOD, KANSAS

Notes to the Financial Statements December 31, 2019

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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 basis 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. The 2019 budget was not amended.

The statutes permit transferring budgeted amounts between accounts within an individual fund. However, such statutes prohibit management from incurring expenditures in excess of the total amount of the adopted budget for expenditures of individual funds without first following the amendment procedures mentioned in the above paragraph. 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 statutory basis of accounting, in which regulatory basis receipts are recognized when cash is received, and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for the 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. All unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital reserve funds, the tornado donations fund, or the Donations and Other Special Revenue funds.

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and record reimbursements as a receipt to the fund that received the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting. For the year ended December 31, 2019, the City recorded reimbursed expenses of \$6,607 in the General Fund and \$15,062 in the Water Utility Fund.

NOTE 2 - Deposits and Investments

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, 2019, 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.

CITY OF LINWOOD, KANSAS

Notes to the Financial Statements
December 31, 2019

NOTE 2 - Deposits and Investments (Continued)

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, 2019.

At December 31, 2019, the City's carrying amount of deposits was \$871,711 and the bank balance was \$873,779. The bank balance was held by three banks, resulting in a concentration of credit risk. Of the bank balance, \$357,507 was covered by federal depository insurance and the balance of \$516,272 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 4 - Retirement Plans

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 8.89% for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City were \$4,474 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 \$47,944. 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 of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

CITY OF LINWOOD, KANSAS

Notes to the Financial Statements December 31, 2019

NOTE 4 - Retirement Plans (Continued)

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.

NOTE 5 - Interfund Transfers

A reconciliation of transfers by fund type for 2019 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General	Capital Improvement Reserve	\$ 30,000	K.S.A. 12-1,118
Water Utility	Water Improvement Reserve	10,000	K.S.A. 12-825d
Sewer Utility	Sewer Improvement Reserve	50,000	K.S.A. 12-825d
Debt Service	General	2,911	K.S.A. 10-117a
Total		<u>\$ 92,911</u>	

NOTE 6 - Compensated Absences

The City's personnel policy grants employees annual sick leave at a rate of 16 hours each quarter for full-time employees and four hours each quarter for part-time employees. Employees can accumulate no more than 10 days of sick leave.

It is also the City's policy to pay out accumulated compensatory time when an employee leaves employment in good standing. Employees can be paid out for no more than 100 hours of accumulated compensatory time.

As of December 31, 2019, the liability for these leave policies was \$1,625.

NOTE 7 - 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 with the exception of loss from damage to or destruction of the electrical distribution system, 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 8 - Other Long-Term Obligations from Operations

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. There is no cost to the City under this program.

CITY OF LINWOOD, KANSAS

Notes to the Financial Statements
December 31, 2019

NOTE 8 - Other Long-Term Obligations from Operations (Continued)

Death and Disability Other Post-Employment Benefits. 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 9 - Statutory Violations

Actual exceeded budgeted expenditures in the Special Sales Tax Fund, which is a violation of K.S.A. 79-2935.

SCHEDULE 1

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

<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 Budget</u>	<u>Variance Over [Under]</u>
General Fund:					
General	\$ 218,969	\$ 6,607	\$ 225,576	\$ 219,532	\$ 6,044
Special Purpose Funds:					
Special Highway	50,000	-	50,000	-	50,000
Special Sales Tax	50,000	-	50,000	50,812	[812]
Bond and Interest Fund:					
Bond and Interest	2,911	-	2,911	2,911	-
Business Funds:					
Water Utility	92,995	15,062	108,057	105,204	2,853
Sewer Utility	95,000	-	95,000	87,371	7,629

See independent auditor's report on the financial statements.

CITY OF LINWOOD, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Ad valorem tax	\$ 58,813	\$ 64,503	\$ [5,690]
Delinquent tax	2,455	1,000	1,455
Motor vehicle and RV tax	13,947	13,050	897
Sales and compensating use tax	29,105	28,500	605
Franchise fees	19,515	21,550	[2,035]
Local alcohol tax	777	930	[153]
Licenses, permits and fees	44,570	6,000	38,570
Charges for services	35,430	34,100	1,330
Use of money and property	2,264	2,200	64
Community center rental	5,663	-	5,663
Miscellaneous	250	-	250
Reimbursement	6,607	-	6,607
Transfers in	<u>2,911</u>	<u>2,911</u>	<u>-</u>
Total Receipts	<u>222,307</u>	<u>\$ 174,744</u>	<u>\$ 47,563</u>
Expenditures			
Personnel services	60,238	\$ 55,720	\$ [4,518]
Contractual services	40,450	53,259	12,809
Streets materials and repairs	18,498	15,000	[3,498]
Materials and supplies	8,572	17,600	9,028
Facilities and equipment	24,084	28,000	3,916
Operations	18,886	16,390	[2,496]
Community center	13,199	-	[13,199]
Miscellaneous	5,605	-	[5,605]
Transfers out	30,000	22,000	[8,000]
Capital outlay	-	11,000	11,000
Adjustments for qualifying budget credits	<u>-</u>	<u>6,607</u>	<u>6,607</u>
Total Expenditures	<u>219,532</u>	<u>\$ 225,576</u>	<u>\$ 6,044</u>
Receipts Over [Under] Expenditures	2,775		
Unencumbered Cash, Beginning	<u>74,000</u>		
Unencumbered Cash, Ending	<u>\$ 76,775</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-2

CITY OF LINWOOD, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Special highway state	\$ 10,723	\$ 10,490	\$ 233
Special highway county	<u>1,100</u>	<u>1,030</u>	<u>70</u>
Total Receipts	<u>11,823</u>	<u>\$ 11,520</u>	<u>\$ 303</u>
Expenditures			
Capital outlay	<u>-</u>	\$ 50,000	\$ 50,000
Total Expenditures	<u>-</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Receipts Over [Under] Expenditures	11,823		
Unencumbered Cash, Beginning	<u>89,583</u>		
Unencumbered Cash, Ending	<u>\$ 101,406</u>		

See independent auditor's report on the financial statements.

CITY OF LINWOOD, KANSAS
Special Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Sales and compensating use tax	\$ 54,642	\$ 39,000	\$ 15,642
Total Receipts	<u>54,642</u>	<u>\$ 39,000</u>	<u>\$ 15,642</u>
Expenditures			
Contractual services	4,809	-	\$ [4,809]
Materials and supplies	12,841	25,000	12,159
Facilities and equipment	33,162	25,000	[8,162]
Total Expenditures	<u>50,812</u>	<u>\$ 50,000</u>	<u>\$ [812]</u>
Receipts Over [Under] Expenditures	3,830		
Unencumbered Cash, Beginning	<u>257,095</u>		
Unencumbered Cash, Ending	<u>\$ 260,925</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-4

CITY OF LINWOOD, KANSAS
Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2019

	<u>Tornado Donations</u>	<u>Donations & Other Special Revenue</u>
Receipts		
Donations	\$ 17,371	\$ -
Total Receipts	<u>17,371</u>	<u>-</u>
Expenditures		
Street materials and repairs	11,893	-
Facilities and equipment	<u>25</u>	<u>-</u>
Total Expenditures	<u>11,918</u>	<u>-</u>
Receipts Over [Under] Expenditures	5,453	-
Unencumbered Cash, Beginning	<u>-</u>	<u>1,460</u>
Unencumbered Cash, Ending	<u>\$ 5,453</u>	<u>\$ 1,460</u>

* - These funds are not required to be budgeted.

CITY OF LINWOOD, KANSAS
 Capital Reserve Funds
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2019

	Capital Improvement <u>Reserve</u>	Park Improvement <u>Reserve</u>	Sewer Improvement <u>Reserve</u>	Water Improvement <u>Reserve</u>
Receipts				
Local alcohol tax	\$ -	\$ 777	\$ -	\$ -
Transfer in	<u>30,000</u>	<u>-</u>	<u>50,000</u>	<u>10,000</u>
Total Receipts	<u>30,000</u>	<u>777</u>	<u>50,000</u>	<u>10,000</u>
Expenditures				
Facilities and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	30,000	777	50,000	10,000
Unencumbered Cash, Beginning	<u>47,387</u>	<u>1,736</u>	<u>140,000</u>	<u>19,843</u>
Unencumbered Cash, Ending	<u>\$ 77,387</u>	<u>\$ 2,513</u>	<u>\$ 190,000</u>	<u>\$ 29,843</u>

* - These funds are not required to be budgeted.

SCHEDULE 2-6

CITY OF LINWOOD, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes	\$ 369	\$ -	\$ 369
Total Receipts	<u>369</u>	<u>\$ -</u>	<u>\$ 369</u>
Expenditures			
Transfers out	<u>2,911</u>	\$ 2,911	\$ -
Total Expenditures	<u>2,911</u>	<u>\$ 2,911</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[2,542]		
Unencumbered Cash, Beginning	<u>3,034</u>		
Unencumbered Cash, Ending	<u>\$ 492</u>		

See independent auditor's report on the financial statements.

CITY OF LINWOOD, KANSAS
 Water Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ 80,166	\$ 75,000	\$ 5,166
Connects and disconnects	900	-	900
Reimbursement	<u>15,062</u>	<u>-</u>	<u>15,062</u>
Total Receipts	<u>96,128</u>	<u>\$ 75,000</u>	<u>\$ 21,128</u>
Expenditures			
Personnel services	26,632	28,000	\$ 1,368
Contractual services	8,678	1,900	[6,778]
Materials and supplies	33,773	20,000	[13,773]
Facilities and equipment	20,719	26,000	5,281
Operations	5,402	5,000	[402]
Transfer out	10,000	6,500	[3,500]
Capital outlay	-	5,595	5,595
Adjustments for qualifying budget credits	<u>-</u>	<u>15,062</u>	<u>15,062</u>
Total Expenditures	<u>105,204</u>	<u>\$ 108,057</u>	<u>\$ 2,853</u>
Receipts Over [Under] Expenditures	[9,076]		
Unencumbered Cash, Beginning	<u>42,438</u>		
Unencumbered Cash, Ending	<u>\$ 33,362</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-8

CITY OF LINWOOD, KANSAS
Sewer Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2019

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges to customers	\$ 76,639	\$ 75,000	\$ 1,639
Total Receipts	<u>76,639</u>	<u>\$ 75,000</u>	<u>\$ 1,639</u>
Expenditures			
Personnel services	21,916	\$ 32,000	\$ 10,084
Contractual services	4,605	4,000	[605]
Materials and supplies	306	5,000	4,694
Facilities and equipment	5,260	13,500	8,240
Operations	5,284	5,500	216
Capital outlay	-	10,000	10,000
Transfers out	50,000	25,000	[25,000]
Total Expenditures	<u>87,371</u>	<u>\$ 95,000</u>	<u>\$ 7,629</u>
Receipts Over [Under] Expenditures	[10,732]		
Unencumbered Cash, Beginning	<u>99,059</u>		
Unencumbered Cash, Ending	<u>\$ 88,327</u>		

See independent auditor's report on the financial statements.

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

<u>Fund</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Water Deposit Fund	\$ 1,923	\$ -	\$ 198	\$ 1,725
Total Agency Funds	<u>\$ 1,923</u>	<u>\$ -</u>	<u>\$ 198</u>	<u>\$ 1,725</u>

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