

CITY OF POTWIN, KANSAS

Financial Statement

For the Year Ended December 31, 2020

City of Potwin, Kansas  
For the Year Ended December 31, 2020

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## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Potwin  
Potwin, Kansas

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

### ***Management's Responsibility for the Financial Statement***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that 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 City'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 City'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, 2020, or changes in its 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 2020 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 and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the 2020 basic financial statement, but 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 2020 basic financial statement. The 2020 information has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2020 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated July 10, 2020, which contained an unmodified opinion on the basic financial statement. The 2019 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 <https://admin.ks.gov/offices/oar/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2020 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2020 basic financial statement. Such 2019 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 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 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, 2019, on the basis of accounting described in Note 1.

*Knudsen, Monroe & Company, LLC*

Certified Public Accountants  
Newton, Kansas  
July 20, 2021

## City of Potwin, Kansas

## SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

## Regulatory Basis

For the Year Ended December 31, 2020

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>General Fund</b>	\$ 37,289	219,763	217,867	39,185	2,814	41,999
<b>Special Purpose Funds</b>						
Employee Benefits	2,884	32,050	34,672	262	-	262
Library	-	15,065	15,065	-	1,543	1,543
Special Fire Equipment	3,751	5,749	8,438	1,062	-	1,062
Consolidated Streets	13,915	53,490	52,083	15,322	-	15,322
Municipal Equipment	19,096	23,000	7,000	35,096	-	35,096
<b>Bond and Interest Fund</b>	11,428	2,692	9,495	4,625	-	4,625
<b>Business Funds</b>						
Waterworks						
Operating	11,045	175,704	175,434	11,315	-	11,315
Operation and Maintenance	384	-	-	384	-	384
O & M (Whitewater)	1,945	5,000	1,675	5,270	-	5,270
Refuse	7,596	32,332	29,667	10,261	-	10,261
Sewer						
Operating	2,575	47,558	31,476	18,657	-	18,657
Reserve	374	-	-	374	-	374
Replacement Reserve	4,082	672	-	4,754	-	4,754
<b>Trust Fund</b>						
Community House Gift	1,799	-	-	1,799	-	1,799
<b>Total Reporting Entity</b>	<u>\$ 118,163</u>	<u>613,075</u>	<u>582,872</u>	<u>148,366</u>	<u>4,357</u>	<u>152,723</u>
<b>Composition of Cash</b>						
Emprise Bank						
Checking						\$ 34,252
Money Market						32,653
Savings						870
Certificates of Deposit						84,948
<b>Total Reporting Entity</b>						<u>\$ 152,723</u>

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

City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of Potwin is a municipal corporation governed by an elected five-member council. This regulatory financial statement presents the City of Potwin (City).

Related Organizations

In addition to the primary government, the Potwin Public Library board operates the City's public library. The City makes appropriations to the library to assist in funding capital expenditures and operating expenses. The Potwin Recreation Commission is responsible for organizing the City's various youth and adult recreational activities. The Potwin Volunteer Fire Department raises funds to buy equipment and other items for the fire department. Their financial activities are not, however, included in the accompanying financial statement.

Regulatory Basis Fund Types

General Fund – used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

Business Fund – used to account for fees charged to users of the goods or services (i.e. water fund, sewer fund, etc.).

Trust Fund – used to report assets held in trust for the benefit of the City (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the City, scholarship funds, etc.)

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.

City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

A legal operating budget is not required for Business Reserve Funds, Trust Funds, and certain Special Purpose 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.

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 the KMAAG regulatory basis of accounting.

City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

K.S.A. 12-1608 requires third class cities to publish an annual treasurer's report showing, by fund, beginning and ending balances, receipts, and expenditures, along with obligations/liability information. The City failed to publish the annual treasurer's report for the year ended December 31, 2020.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2020.

At December 31, 2020, the City's carrying amount of deposits was \$152,723 and the bank balance was \$162,756. The balance was held by one bank resulting in a concentration of credit risk. At December 31, 2020, all bank deposits were covered by federal depository insurance.

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Consolidated Streets	K.S.A. 12-1,119	\$ 20,000
Waterworks Operating	Consolidated Streets	K.S.A. 12-1,119	10,000
Waterworks Operating	Waterworks O & M (Whitewater)	K.S.A. 12-825d	5,000
Refuse	Consolidated Streets	K.S.A. 12-1,119	4,354
Sewer Operating	Sewer Replacement Reserve	K.S.A. 12-631o	672



City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

5. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2020, 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 2005	5.500%	12/29/05	\$ 100,000	12/01/20	\$ 9,000	-	9,000	-	495
<b>KDHE Loans</b>									
Public Water Supply	3.770%	10/12/04	145,000	08/01/25	55,321	-	8,381	46,940	2,008
Water Pollution Control	2.790%	02/25/04	200,000	09/01/24	55,305	-	8,591	46,714	1,484
Total KDHE Loans					110,626	-	16,972	93,654	3,492
<b>Capital Lease Payable</b>									
2015 Chevrolet Truck	3.100%	08/14/15	29,403	08/14/20	6,245	-	6,245	-	194
<b>Firefighters Relief Association Loan</b>									
Firefighters Equipment	1.000%	06/10/20	23,000	06/10/30	-	23,000	-	23,000	-
<b>Total contractual indebtedness</b>					<u>\$ 125,871</u>	<u>23,000</u>	<u>32,217</u>	<u>116,654</u>	<u>4,181</u>

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

	Year ending December 31						
	2021	2022	2023	2024	2025	2026-2030	Total
<b>Principal</b>							
KDHE Loans	\$ 17,532	18,111	18,711	19,330	19,970	-	93,654
Firefighters Relief Association Loan	2,198	2,220	2,243	2,265	2,288	11,786	23,000
Total principal	19,730	20,331	20,954	21,595	22,258	11,786	116,654
<b>Interest</b>							
KDHE Loans	2,931	2,352	1,752	1,133	493	-	8,661
Firefighters Relief Association Loan	230	208	186	163	141	356	1,284
Total interest	3,161	2,560	1,938	1,296	634	356	9,945
<b>Total principal and interest</b>	\$ 22,891	22,891	22,891	22,891	22,891	12,142	126,599

6. DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

6. DEFINED BENEFIT PENSION PLAN (Continued)

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 an 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 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$8,856 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 \$94,345. 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 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.

7. 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. Each retiree pays the full amount of their applicable premium. The City does not currently have any retirees that participate.

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.

City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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 the annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2020.

Compensated Absences

Full-time employees earn one week of paid vacation upon completion of one year of employment, two weeks annually for two through nine years, and three weeks annually upon completion of ten or more years of employment. Vacation time must be used during the year and may not be accumulated or carried forward to subsequent years.

Full-time employees earn ten days of paid sick leave per year, cumulative to thirty days at full pay and thirty days at half pay. Unused sick leave is not paid to employees upon termination of employment. Unused sick leave has not been recorded in the accompanying financial statement.

8. 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 has purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2019 to 2020 and there were no settlements that exceeded insurance coverage in any of the past three years.

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

9. CORONAVIRUS PANDEMIC

In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which has impacted global commercial activity. The coronavirus outbreak and government responses have created disruption in global supply chains and adversely impacted many industries. The outbreak could have a continued material adverse impact on economic conditions and trigger a period of global economic slowdown. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021.

City of Potwin, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2020

10. MANAGEMENT'S DATE OF REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2020, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through July 20, 2021, which is the date the financial statement was available to be issued.

CITY OF POTWIN  
REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2020

City of Potwin, Kansas  
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET  
Regulatory Basis  
For the Year Ended December 31, 2020

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>General Fund</b>	\$ 240,200	-	240,200	217,867	(22,333)
<b>Special Purpose Funds</b>					
Employee Benefits	34,750	-	34,750	34,672	(78)
Library	8,700	8,602	17,302	15,065	(2,237)
Special Fire Equipment	9,000	-	9,000	8,438	(562)
Consolidated Streets	62,000	-	62,000	52,083	(9,917)
<b>Bond and Interest Fund</b>	11,995	-	11,995	9,495	(2,500)
<b>Business Funds</b>					
Waterworks Operating	235,389	-	235,389	175,434	(59,955)
Refuse	45,000	-	45,000	29,667	(15,333)
Sewer Operating	68,000	-	68,000	31,476	(36,524)

## City of Potwin, Kansas

**General Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
RECEIPTS				
Ad valorem property tax	\$ 81,293	83,631	96,811	(13,180)
Delinquent tax	11,010	4,049	4,000	49
Vehicle tax	15,530	20,351	19,758	593
Sales tax	17,993	27,563	20,000	7,563
Franchise tax	22,749	22,926	25,500	(2,574)
Community house rent	804	370	2,000	(1,630)
Fire contracts	46,492	49,746	45,000	4,746
Fines, fees, permits and other	1,415	1,864	3,000	(1,136)
Vendor fees	14	-	-	-
Interest on investments	272	191	200	(9)
Reimbursements and refunds	7,512	8,103	5,000	3,103
Miscellaneous	9,564	969	2,000	(1,031)
	<u>214,648</u>	<u>219,763</u>	<u>223,269</u>	<u>(3,506)</u>
EXPENDITURES, page 13	<u>206,995</u>	<u>217,867</u>		
Receipts over (under) expenditures	7,653	1,896		
UNENCUMBERED CASH, beginning	<u>29,636</u>	<u>37,289</u>		
UNENCUMBERED CASH, ending	<u>\$ 37,289</u>	<u>39,185</u>		

## City of Potwin, Kansas

**General Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
EXPENDITURES				
General				
Personal services	\$ 64,081	69,526	67,000	2,526
Contractual services	35,144	38,985	40,000	(1,015)
Utilities	2,722	2,773	-	2,773
Commodities and other	8,025	8,145	15,000	(6,855)
Capital outlay	-	-	8,000	(8,000)
Fire				
Contractual services and other	17,439	16,022	22,500	(6,478)
Capital outlay	-	4,929	5,000	(71)
Parks	3,726	1,138	17,000	(15,862)
Court	-	45	-	45
Street lights	8,905	8,989	9,000	(11)
Community House	15,102	7,160	-	7,160
Scout House	286	285	-	285
Library	-	-	7,000	(7,000)
Police protection	22,311	21,905	24,700	(2,795)
Audit	8,505	17,090	-	17,090
Other	749	875	-	875
Transfers to				
Consolidated Streets	15,000	20,000	20,000	-
Municipal Equipment	5,000	-	5,000	(5,000)
	<u>\$ 206,995</u>	<u>217,867</u>	<u>240,200</u>	<u>(22,333)</u>



## City of Potwin, Kansas

**Special Purpose Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		Current Year		Variance
	Prior Year			Over
	Actual	Actual	Budget	(Under)
EMPLOYEE BENEFITS				
RECEIPTS				
Ad valorem property tax	\$ 22,846	25,036	28,980	(3,944)
Delinquent tax	3,408	1,294	750	544
Vehicle tax	5,386	5,720	5,553	167
	31,640	32,050	35,283	(3,233)
EXPENDITURES				
FICA and Medicare	-	6,596	2,250	4,346
KPERS	10,090	9,884	9,000	884
Health insurance	18,699	18,192	23,500	(5,308)
	28,789	34,672	34,750	(78)
Receipts over (under) expenditures	2,851	(2,622)		
UNENCUMBERED CASH, beginning	33	2,884		
UNENCUMBERED CASH, ending	\$ 2,884	262		
LIBRARY				
RECEIPTS				
Ad valorem property tax	\$ 4,988	4,921	5,696	(775)
Delinquent tax	761	293	250	43
Vehicle tax	1,195	1,249	1,176	73
Other revenue	85	-	37	(37)
Reimbursements	9,377	8,602	-	8,602
	16,406	15,065	7,159	7,906
EXPENDITURES				
Salaries and benefits	8,711	8,602	-	8,602
Utilities and other	2,855	2,823	-	2,823
Appropriations to Library Board	7,606	3,640	8,700	(5,060)
	19,172	15,065	8,700	6,365
Adjustment for qualifying budget credits	-	-	8,602	(8,602)
	19,172	15,065	17,302	(2,237)
Receipts over (under) expenditures	(2,766)	-		
UNENCUMBERED CASH, beginning	2,766	-		
UNENCUMBERED CASH, ending	\$ -	-		

## City of Potwin, Kansas

**Special Purpose Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL FIRE EQUIPMENT				
RECEIPTS				
Ad valorem property tax	\$ 4,229	4,406	5,100	(694)
Delinquent tax	713	284	750	(466)
Vehicle tax	1,143	1,059	998	61
Loan Proceeds	-	-	30	(30)
	<u>6,085</u>	<u>5,749</u>	<u>6,878</u>	<u>(1,129)</u>
EXPENDITURES				
Commodities and other	610	1,999	-	1,999
Capital outlay	6,439	6,439	9,000	(2,561)
	<u>7,049</u>	<u>8,438</u>	<u>9,000</u>	<u>(562)</u>
Receipts over (under) expenditures	(964)	(2,689)		
UNENCUMBERED CASH, beginning	<u>4,715</u>	<u>3,751</u>		
UNENCUMBERED CASH, ending	\$ 3,751	1,062		

## City of Potwin, Kansas

**Special Purpose Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		Current Year		Variance
	Prior Year			Over
	Actual	Actual	Budget	(Under)
CONSOLIDATED STREETS				
RECEIPTS				
State payments	\$ 11,969	11,355	11,950	(595)
County payments	1,822	1,746	1,800	(54)
Miscellaneous	425	6,035	-	6,035
Transfers from				
General	15,000	20,000	20,000	-
Waterworks Operating	10,000	10,000	15,000	(5,000)
Refuse	4,400	4,354	5,000	(646)
	<u>43,616</u>	<u>53,490</u>	<u>53,750</u>	<u>(260)</u>
EXPENDITURES				
Contractual services	43,611	51,246	62,000	(10,754)
Commodities and other	889	837	-	837
	<u>44,500</u>	<u>52,083</u>	<u>62,000</u>	<u>(9,917)</u>
Receipts over (under) expenditures	(884)	1,407		
UNENCUMBERED CASH, beginning	<u>14,799</u>	<u>13,915</u>		
UNENCUMBERED CASH, ending	\$ 13,915	15,322		

## City of Potwin, Kansas

**Special Purpose Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019</u>	<u>2020</u>
MUNICIPAL EQUIPMENT		
RECEIPTS		
Transfers from		
General	\$ 5,000	-
Waterworks Operating	6,431	
Other	-	23,000
	<u>11,431</u>	<u>23,000</u>
EXPENDITURES		
Capital outlay	<u>6,431</u>	<u>7,000</u>
Receipts over (under) expenditures	5,000	16,000
UNENCUMBERED CASH, beginning	<u>14,096</u>	<u>19,096</u>
UNENCUMBERED CASH, ending	<u>\$ 19,096</u>	<u>35,096</u>

## City of Potwin, Kansas

**Bond and Interest Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
RECEIPTS				
Delinquent tax	\$ 1,070	599	700	(101)
Vehicle tax	2,459	3	-	3
Special assessments	672	2,090	183	1,907
	<u>4,201</u>	<u>2,692</u>	<u>883</u>	<u>1,809</u>
EXPENDITURES				
Principal	9,000	9,000	9,000	-
Interest	990	495	495	-
Cash basis reserve	-	-	2,500	(2,500)
	<u>9,990</u>	<u>9,495</u>	<u>11,995</u>	<u>(2,500)</u>
Receipts over (under) expenditures	(5,789)	(6,803)		
UNENCUMBERED CASH, beginning	17,217	11,428		
UNENCUMBERED CASH, ending	<u>\$ 11,428</u>	<u>4,625</u>		

## City of Potwin, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		Current Year		Variance
	Prior Year			Over
	Actual	Actual	Budget	(Under)
WATERWORKS OPERATING				
RECEIPTS				
Water sales - residents	\$ 97,435	100,278	133,000	(32,722)
Water sales - Whitewater	51,948	54,385	75,000	(20,615)
Penalties and taxes	3,634	3,767	5,000	(1,233)
Connect fees	1,305	900	3,000	(2,100)
City of Whitewater fee	14,958	16,374	-	16,374
Other	-	-	20,000	(20,000)
	<u>169,280</u>	<u>175,704</u>	<u>236,000</u>	<u>(60,296)</u>
EXPENDITURES				
Personal services	39,700	41,096	50,000	(8,904)
Utilities	4,015	5,459	-	5,459
Contractual services	6,619	10,722	25,000	(14,278)
Commodities and other	7,238	7,192	15,000	(7,808)
Miscellaneous	1,776	1,848	-	1,848
Capital outlay	-	-	10,000	(10,000)
Purchase of water	78,388	83,728	100,000	(16,272)
KDHE revolving loan	10,389	10,389	10,389	-
Transfers to				
Consolidated Streets	10,000	10,000	15,000	(5,000)
Municipal Equipment	6,431	-	-	-
Waterworks O & M (Whitewater)	5,000	5,000	10,000	(5,000)
	<u>169,556</u>	<u>175,434</u>	<u>235,389</u>	<u>(59,955)</u>
Receipts over (under) expenditures	(276)	270		
UNENCUMBERED CASH, beginning	<u>11,321</u>	<u>11,045</u>		
UNENCUMBERED CASH, ending	\$ 11,045	11,315		

## City of Potwin, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019</u>	<u>2020</u>
WATERWORKS OPERATION AND MAINTENANCE		
RECEIPTS	\$ -	-
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>384</u>	<u>384</u>
UNENCUMBERED CASH, ending	<u>\$ 384</u>	<u>384</u>
WATERWORKS O & M (Whitewater)		
RECEIPTS		
Transfer from Water Operating	\$ 5,000	5,000
EXPENDITURES		
Maintenance expenditures	<u>8,732</u>	<u>1,675</u>
Receipts over (under) expenditures	(3,732)	3,325
UNENCUMBERED CASH, beginning	<u>5,677</u>	<u>1,945</u>
UNENCUMBERED CASH, ending	<u>\$ 1,945</u>	<u>5,270</u>

## City of Potwin, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
REFUSE				
RECEIPTS				
Refuse fees	\$ 30,017	30,645	40,000	(9,355)
Other	1,691	1,687	-	1,687
	<u>31,708</u>	<u>32,332</u>	<u>40,000</u>	<u>(7,668)</u>
EXPENDITURES				
Contractual services	25,797	24,935	35,000	(10,065)
Commodities and other	336	378	5,000	(4,622)
Transfer to Consolidated Streets	4,400	4,354	5,000	(646)
	<u>30,533</u>	<u>29,667</u>	<u>45,000</u>	<u>(15,333)</u>
Receipts over (under) expenditures	1,175	2,665		
UNENCUMBERED CASH, beginning	<u>6,421</u>	<u>7,596</u>		
UNENCUMBERED CASH, ending	<u>\$ 7,596</u>	<u>10,261</u>		
SEWER OPERATING				
RECEIPTS				
Sewer fees	\$ 46,660	47,311	65,000	(17,689)
Other	-	247	-	247
	<u>46,660</u>	<u>47,558</u>	<u>65,000</u>	<u>(17,442)</u>
EXPENDITURES				
Personal services	18,377	8,955	21,000	(12,045)
Utilities	2,273	1,990	-	1,990
Contractual services	15,289	7,462	21,000	(13,538)
Commodities and other	1,214	2,322	10,000	(7,678)
Capital outlay	-	-	5,254	(5,254)
KDHE loan	10,074	10,075	10,074	1
Transfer to Sewer Replacement Reserve	672	672	672	-
	<u>47,899</u>	<u>31,476</u>	<u>68,000</u>	<u>(36,524)</u>
Receipts over (under) expenditures	(1,239)	16,082		
UNENCUMBERED CASH, beginning	<u>3,814</u>	<u>2,575</u>		
UNENCUMBERED CASH, ending	<u>\$ 2,575</u>	<u>18,657</u>		



## City of Potwin, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019</u>	<u>2020</u>
SEWER RESERVE		
RECEIPTS	\$ -	-
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>374</u>	<u>374</u>
UNENCUMBERED CASH, ending	<u><u>\$ 374</u></u>	<u><u>374</u></u>
 SEWER REPLACEMENT RESERVE		
RECEIPTS		
Transfer from Sewer Operating	\$ 672	672
EXPENDITURES	<u>3,000</u>	<u>-</u>
Receipts over (under) expenditures	(2,328)	672
UNENCUMBERED CASH, beginning	<u>6,410</u>	<u>4,082</u>
UNENCUMBERED CASH, ending	<u><u>\$ 4,082</u></u>	<u><u>4,754</u></u>

## City of Potwin, Kansas

**Trust Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

## Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019</u>	<u>2020</u>
COMMUNITY HOUSE GIFT		
RECEIPTS	\$ -	-
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>1,799</u>	<u>1,799</u>
UNENCUMBERED CASH, ending	<u><u>\$ 1,799</u></u>	<u><u>1,799</u></u>