

CITY OF PEABODY, KANSAS

Financial Statement

For the Year Ended December 31, 2019

City of Peabody, Kansas  
For the Year Ended December 31, 2019

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## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Peabody  
Peabody, Kansas

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

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the 2019 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 2019 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 2019 basic financial statement. The 2019 information has been 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 information is fairly stated in all material respects in relation to the 2019 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, 2018 (not presented herein), and have issued our report thereon dated July 17, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2019 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2019 basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note 1.

*Knaudsen, Monroe & Company, LLC*

Certified Public Accountants  
Newton, Kansas  
August 7, 2020

## City of Peabody, Kansas

## SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended December 31, 2019

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Accounts Payable and Encumbrances	Ending Cash Balance
<b>General Fund</b>	\$ 37,192	562,888	575,643	24,437	14,714	39,151
<b>Special Purpose Funds</b>						
Special Equipment (Law & Fire)	21,855	793	-	22,648	-	22,648
Special Highway	294,167	113,714	10,499	397,382	24	397,406
Special Park and Recreation	1,832	2,307	2,998	1,141	-	1,141
Municipal Equipment	77,813	30,000	9,313	98,500	-	98,500
Capital Improvement	8,681	14,985	14,224	9,442	-	9,442
Police DARE	925	-	-	925	-	925
Police Diversion	11,750	1,691	2,760	10,681	-	10,681
Lighting	828	2,788	2,399	1,217	-	1,217
<b>Bond and Interest Fund</b>	(22,300)	104,981	77,329	5,352	-	5,352
<b>Business Funds</b>						
Refuse Operating	8,265	69,895	75,032	3,128	5,383	8,511
Sewer Operating	58,650	189,663	220,842	27,471	2,588	30,059
Water Operating	20,548	278,748	263,420	35,876	19,379	55,255
Sewer Replacement Reserve	101,208	62,552	-	163,760	-	163,760
Water Replacement Reserve	24,000	60,000	-	84,000	-	84,000
<b>Trust Fund</b>						
Drug Forfeiture	2,954	-	-	2,954	-	2,954
Hart trust	19,002	10,935	-	29,937	-	29,937
<b>Total Reporting Entity</b>	<u>\$ 667,370</u>	<u>1,505,940</u>	<u>1,254,459</u>	<u>918,851</u>	<u>42,088</u>	<u>960,939</u>
<b>Composition of Cash</b>						
Petty cash						\$ 150
Vintage Bank Kansas						
Clerk account						357
Checking						25,353
Money Market						910,632
Police Drug Forfeiture						1,697
Certificates of Deposit						<u>22,750</u>
<b>Total Reporting Entity</b>						<u>\$ 960,939</u>

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

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

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

Related Organization

The local housing authority, Indian Guide Terrace, is a related organization that is not included in the financial reporting entity. The housing authority was created to administer public housing programs authorized by the United States Housing Act of 1937, as amended. Revenues consist of housing assistance payments from the U.S. Department of Housing and Urban Development and rent received from eligible low income tenants.

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.

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

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 Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2019

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 funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption for 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 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 capital project funds, trust funds, business reserve 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 Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2019

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

K.S.A. 10-130 requires municipalities to remit payments for any bonds or interest to the state fiscal agent at least twenty days before the date of maturity. Two of the general obligation bond payments were not made timely in accordance with this statute.

The City was not in compliance with K.S.A. 9-1402 and 9-1405 which require that deposits with statutorily authorized financial institutions be adequately secured. The City's cash deposits were not adequately secured for a period of approximately 90 days during the year ended December 31, 2019.

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 obligation/liability information. The City failed to publish the annual treasurer's report for the year ended December 31, 2019.

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, 2019.

At December 31, 2019, the carrying amount of the City's deposits was \$959,195 and the bank balance was \$986,967. The 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 and the remaining \$736,967 was collateralized with securities held by the pledging financial institution's agents in the City's name.



City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2019

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Refuse Operating	Bond and Interest	K.S.A. 12-825d	\$ 5,000
Sewer Operating	Municipal Equipment	K.S.A. 12-825d	30,000
Sewer Operating	Capital Improvement	K.S.A. 12-825d	4,000
Sewer Operating	Sewer Replacement Reserve	K.S.A. 12-631o	60,000
Water Operating	Water Replacement Reserve	K.S.A. 12-631o	60,000
Total			<u>\$ 159,000</u>

5. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2019, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions /Payments	Balance End of Year	Interest Paid
<b>General Obligation Bonds</b>									
Series A 2009	3.00-6.00%	12/08/09	\$ 200,000	10/01/20	\$ 50,000	-	25,000	25,000	2,938
Series 2015	0.50-4.125%	12/01/15	1,215,000	08/01/45	1,135,000	-	30,000	1,105,000	19,391
<b>Capital Lease Payable</b>									
2018 Ford Explorer	4.750%	05/14/18	29,492	05/14/19	3,492	-	3,492	-	283
<b>Total contractual indebtedness</b>					<u>\$ 1,188,492</u>	<u>-</u>	<u>58,492</u>	<u>1,130,000</u>	<u>22,612</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										Total
	2020	2021	2022	2023	2024	2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2044	2045	
<b>Principal</b>											
General Obligation Bonds	\$ 55,000	30,000	35,000	35,000	35,000	185,000	215,000	255,000	230,000	55,000	1,130,000
<b>Interest</b>											
General Obligation Bonds	<u>39,907</u>	<u>37,957</u>	<u>37,433</u>	<u>36,732</u>	<u>35,963</u>	<u>165,732</u>	<u>134,622</u>	<u>90,381</u>	<u>37,744</u>	<u>2,062</u>	<u>618,533</u>
Total principal and interest	<u>\$ 94,907</u>	<u>67,957</u>	<u>72,433</u>	<u>71,732</u>	<u>70,963</u>	<u>350,732</u>	<u>349,622</u>	<u>345,381</u>	<u>267,744</u>	<u>57,062</u>	<u>1,748,533</u>

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 Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2019

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 each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89% for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City were \$29,812, 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 \$250,786. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website [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. 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 premium regardless of age. 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.

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-1927, 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.

City of Peabody, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2019

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Compensated Absences

Full-time employees with less than ten years of service shall receive two weeks of paid vacation per year after six months of service is completed. After ten years of service, full-time employees shall receive three weeks of paid vacation per year. Vacation is awarded as of January 1 of each calendar year. Employees with less than ten years of service may carry over five days of vacation time. Employees with ten or more years of service may carry over seven days of vacation. Unused vacation pay is paid to employees upon termination. Unused vacation time has not been recorded as a liability in the accompanying financial statement.

Full-time employees receive 10 days of personal time off each year. This is in lieu of paid sick time. Any paid time off not used by the end of the year is paid to the employee at the rate of ½ day for each 1 day of paid time off remaining. Unused personal time off is not paid to employees upon termination.

8. CLAIMS AND JUDGMENTS

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 2018 to 2019, and there were no settlements that exceeded insurance coverage in the past three years.

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

9. RELATED PARTIES

The city clerk is related to a council member.

10. SUBSEQUENT EVENTS

On January 31, 2020, a public health emergency was declared in the United States relating to the Coronavirus Disease 2019 (COVID-19) pandemic. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the City as of the date of this report, management believes that a material impact on the City's financial position and results of future operations is reasonably possible.

11. DATE OF MANAGEMENT'S REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2019, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through August 7, 2020, which is the date at which the financial statement was available to be issued.

CITY OF PEABODY  
REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2019

## City of Peabody, 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</u>	<u>Variance - Over (Under)</u>
General Fund	\$ 611,743	-	611,743	575,643	(36,100)
Special Purpose Funds					
Special Equipment (Law & Fire)	1,000	-	1,000	-	(1,000)
Special Highway	386,147	-	386,147	10,499	(375,648)
Special Park and Recreation	3,893	-	3,893	2,998	(895)
Bond and Interest Fund	106,720	-	106,720	77,329	(29,391)
Business Funds					
Refuse Operating	89,000	-	89,000	75,032	(13,968)
Sewer Operating	265,000	-	265,000	220,842	(44,158)
Water Operating	274,000	-	274,000	263,420	(10,580)

## City of Peabody, Kansas

**General Fund**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 276,813	284,609	313,468	(28,859)
Delinquent tax	6,671	11,482	17,000	(5,518)
Motor Vehicle tax	34,075	39,300	42,740	(3,440)
Liquor tax	2,288	2,308	2,234	74
Franchise tax	73,144	66,476	68,000	(1,524)
Licenses and permits	5,793	9,163	6,800	2,363
County sales tax	79,588	80,226	70,000	10,226
Highway connecting links	696	557	557	-
Fines	54,845	38,486	55,000	(16,514)
Interest on investments	35	29	50	(21)
Pool receipts	8,123	8,541	7,000	1,541
Reimbursements	11,395	9,689	15,000	(5,311)
Miscellaneous	3,287	12,022	5,000	7,022
	556,753	562,888	602,849	(39,961)
<b>EXPENDITURES, page 13</b>	559,408	575,643		
Receipts under expenditures	(2,655)	(12,755)		
UNENCUMBERED CASH, Beginning	39,847	37,192		
UNENCUMBERED CASH, Ending	\$ 37,192	24,437		

## City of Peabody, Kansas

**General Fund**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>EXPENDITURES</b>				
General Government				
Personnel services	\$ 58,312	60,507	62,860	(2,353)
Contractual services	75,897	64,425	50,350	14,075
Commodities	7,194	5,459	5,503	(44)
Capital outlay	-	9,151	-	9,151
	<u>141,403</u>	<u>139,542</u>	<u>118,713</u>	<u>20,829</u>
Street				
Contractual services	1,574	-	-	-
Commodities	5,460	-	5,000	(5,000)
	<u>7,034</u>	<u>-</u>	<u>5,000</u>	<u>(5,000)</u>
Police				
Personnel services	203,323	224,259	237,175	(12,916)
Contractual services	18,460	23,200	25,175	(1,975)
Commodities	19,875	22,562	31,400	(8,838)
Capital outlay	11,600	-	-	-
	<u>253,258</u>	<u>270,021</u>	<u>293,750</u>	<u>(23,729)</u>
Municipal Court				
Personnel services	45,581	46,909	51,660	(4,751)
Contractual services	18,715	13,698	23,670	(9,972)
Commodities	1,739	929	1,650	(721)
	<u>66,035</u>	<u>61,536</u>	<u>76,980</u>	<u>(15,444)</u>
Fire				
Personnel services	1,935	1,459	2,000	(541)
Contractual services	2,147	547	5,000	(4,453)
Commodities	186	7,059	1,000	6,059
	<u>4,268</u>	<u>9,065</u>	<u>8,000</u>	<u>1,065</u>
Park				
Personnel services	8,617	7,928	8,500	(572)
Contractual services	91	9,106	5,500	3,606
Commodities	9,825	4,762	8,500	(3,738)
Capital outlay	-	671	500	171
	<u>18,533</u>	<u>22,467</u>	<u>23,000</u>	<u>(533)</u>

## City of Peabody, Kansas

**General Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET  
Regulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Swimming Pool				
Personnel services	18,963	18,401	17,000	1,401
Contractual services	709	868	7,500	(6,632)
Commodities	9,655	11,721	9,000	2,721
Capital outlay	-	-	500	(500)
	<u>29,327</u>	<u>30,990</u>	<u>34,000</u>	<u>(3,010)</u>
Economic Development				
Contractual services	(7,000)	-	3,800	(3,800)
Utilities	<u>46,550</u>	<u>42,022</u>	<u>48,500</u>	<u>(6,478)</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 559,408</u>	<u>575,643</u>	<u>611,743</u>	<u>(36,100)</u>



## City of Peabody, Kansas

**Special Purpose Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
<u>SPECIAL EQUIPMENT (LAW &amp; FIRE)</u>				
RECEIPTS				
Delinquent tax	\$ 181	288	100	188
Motor vehicle tax	1,954	505	-	505
	<u>2,135</u>	<u>793</u>	<u>100</u>	<u>693</u>
EXPENDITURES				
Capital outlay	1,000	-	1,000	(1,000)
Receipts over expenditures	1,135	793		
Unencumbered Cash, Beginning	<u>20,720</u>	<u>21,855</u>		
Unencumbered Cash, Ending	<u>\$ 21,855</u>	<u>22,648</u>		
<u>SPECIAL HIGHWAY</u>				
RECEIPTS				
State payments-gasoline tax	\$ 30,779	30,563	30,000	563
City sales tax	76,011	83,151	75,000	8,151
	<u>106,790</u>	<u>113,714</u>	<u>105,000</u>	<u>8,714</u>
EXPENDITURES				
Contractual services	-	1,441	372,947	(371,506)
Commodities	3,270	9,058	13,200	(4,142)
	<u>3,270</u>	<u>10,499</u>	<u>386,147</u>	<u>(375,648)</u>
Receipts over expenditures	103,520	103,215		
Unencumbered Cash, Beginning	<u>190,647</u>	<u>294,167</u>		
Unencumbered Cash, Ending	<u>\$ 294,167</u>	<u>397,382</u>		

## City of Peabody, Kansas

**Special Purpose Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		<u>Current Year</u>		
	Prior Year			Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
<b><u>SPECIAL PARK AND RECREATION</u></b>				
<b>RECEIPTS</b>				
Liquor tax	\$ 2,288	2,307	2,234	73
Other	<u>85</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,373</u>	<u>2,307</u>	<u>2,234</u>	<u>73</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>2,400</u>	<u>2,998</u>	<u>3,893</u>	<u>(895)</u>
Receipts under expenditures	(27)	(691)		
Unencumbered Cash, Beginning	<u>1,859</u>	<u>1,832</u>		
Unencumbered Cash, Ending	<u>\$ 1,832</u>	<u>1,141</u>		

## City of Peabody, Kansas

**Special Purpose Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u>	<u>2019</u>
<b><u>MUNICIPAL EQUIPMENT</u></b>		
RECEIPTS		
Transfer from Sewer Operating	\$ 30,000	30,000
Transfer from Water Operating	<u>20,000</u>	<u>-</u>
	<u>50,000</u>	<u>30,000</u>
EXPENDITURES		
Capital outlay	<u>19,878</u>	<u>9,313</u>
Receipts over expenditures	30,122	20,687
Unencumbered Cash, Beginning	<u>47,691</u>	<u>77,813</u>
Unencumbered Cash, Ending	<u>\$ 77,813</u>	<u>98,500</u>
<b><u>CAPITAL IMPROVEMENT</u></b>		
RECEIPTS		
Transfer from Sewer Operating	\$ -	4,000
Miscellaneous	<u>3,400</u>	<u>10,985</u>
	<u>3,400</u>	<u>14,985</u>
EXPENDITURES		
Capital outlay	<u>1,671</u>	<u>14,224</u>
Receipts over expenditures	1,729	761
Unencumbered Cash, Beginning	<u>6,952</u>	<u>8,681</u>
Unencumbered Cash, Ending	<u>\$ 8,681</u>	<u>9,442</u>

## City of Peabody, Kansas

**Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2019  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u>	<u>2019</u>
<b><u>POLICE DARE</u></b>		
RECEIPTS	\$ -	-
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
Unencumbered Cash, Beginning	<u>925</u>	<u>925</u>
Unencumbered Cash, Ending	<u><u>\$ 925</u></u>	<u><u>925</u></u>
 <b><u>POLICE DIVERSION</u></b>		
RECEIPTS		
Diversion fees	\$ 5,670	1,691
EXPENDITURES		
Capital Outlay	<u>7,851</u>	<u>2,760</u>
Receipts under expenditures	(2,181)	(1,069)
Unencumbered Cash, Beginning	<u>13,931</u>	<u>11,750</u>
Unencumbered Cash, Ending	<u><u>\$ 11,750</u></u>	<u><u>10,681</u></u>
 <b><u>LIGHTING</u></b>		
RECEIPTS	\$ 1,878	2,788
EXPENDITURES		
Commodities	<u>1,678</u>	<u>2,399</u>
Receipts over expenditures	200	389
Unencumbered Cash, Beginning	<u>628</u>	<u>828</u>
Unencumbered Cash, Ending	<u><u>\$ 828</u></u>	<u><u>1,217</u></u>

## City of Peabody, Kansas

**Bond and Interest Fund**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
RECEIPTS				
Ad valorem property tax	\$ 57,655	87,258	96,098	(8,840)
Delinquent tax	903	1,799	1,000	799
Motor Vehicle tax	14,736	10,881	8,902	1,979
Interest on investments	43	43	20	23
Transfer from Refuse Operating	-	5,000	-	5,000
	<u>73,337</u>	<u>104,981</u>	<u>106,020</u>	<u>(1,039)</u>
EXPENDITURES				
Principal	55,000	55,000	55,000	-
Interest	62,786	22,329	41,720	(19,391)
Cash basis reserve	-	-	10,000	(10,000)
	<u>117,786</u>	<u>77,329</u>	<u>106,720</u>	<u>(29,391)</u>
Receipts over (under) expenditures	(44,449)	27,652		
Unencumbered Cash, Beginning	<u>22,149</u>	<u>(22,300)</u>		
Unencumbered Cash, Ending	\$ (22,300)	5,352		

## City of Peabody, Kansas

**Business Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>REFUSE OPERATING</u></b>				
<b>RECEIPTS</b>				
Refuse fees	\$ 70,741	68,587	75,000	(6,413)
Penalties	3,955	1,308	4,000	(2,692)
Other	-	-	100	(100)
	<u>74,696</u>	<u>69,895</u>	<u>79,100</u>	<u>(9,205)</u>
<b>EXPENDITURES</b>				
Contractual services	73,749	69,420	74,000	(4,580)
Commodities	1,251	612	-	612
Transfer to				
Bond and Interest	-	5,000	-	5,000
Special Highway	-	-	5,000	(5,000)
Municipal Equipment	-	-	5,000	(5,000)
Capital Improvement	-	-	5,000	(5,000)
	<u>75,000</u>	<u>75,032</u>	<u>89,000</u>	<u>(13,968)</u>
Receipts under expenditures	(304)	(5,137)		
Unencumbered Cash, Beginning	<u>8,569</u>	<u>8,265</u>		
Unencumbered Cash, Ending	<u>\$ 8,265</u>	<u>3,128</u>		

## City of Peabody, Kansas

**Business Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
<u>SEWER OPERATING</u>				
RECEIPTS				
Sewer fees	\$ 199,728	186,035	220,000	(33,965)
Penalties	12,809	3,628	8,000	(4,372)
Other	17	-	3,000	(3,000)
	<u>212,554</u>	<u>189,663</u>	<u>231,000</u>	<u>(41,337)</u>
EXPENDITURES				
Personnel services	91,464	82,695	115,000	(32,305)
Contractual services	27,510	33,756	40,000	(6,244)
Commodities	9,968	10,391	10,000	391
Transfer to				
Municipal Equipment	30,000	30,000	30,000	-
Capital Improvement	-	4,000	10,000	(6,000)
Sewer Replacement Reserve	30,000	60,000	60,000	-
	<u>188,942</u>	<u>220,842</u>	<u>265,000</u>	<u>(44,158)</u>
Receipts over (under) expenditures	23,612	(31,179)		
Unencumbered Cash, Beginning	<u>35,038</u>	<u>58,650</u>		
Unencumbered Cash, Ending	<u>\$ 58,650</u>	<u>27,471</u>		

## City of Peabody, Kansas

**Business Funds**

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**  
**Regulatory Basis**

For the Year Ended December 31, 2019

(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<b><u>WATER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sale of water	\$ 256,209	257,353	280,000	(22,647)
Penalties	17,803	4,821	11,000	(6,179)
Connect and reconnect fees	7,300	10,097	7,000	3,097
Miscellaneous	4,805	299	3,000	(2,701)
Reimbursements	17	-	-	-
Interest	3,485	6,178	700	5,478
	<u>289,619</u>	<u>278,748</u>	<u>301,700</u>	<u>(22,952)</u>
<b>EXPENDITURES</b>				
Personnel services	95,152	83,962	110,000	(26,038)
Contractual services	43,731	28,845	50,000	(21,155)
Commodities	17,144	14,406	14,000	406
Purchase of water	87,765	76,207	100,000	(23,793)
Transfer to				
Municipal Equipment	20,000	-	-	-
Water Replacement Reserve	24,000	60,000	-	60,000
	<u>287,792</u>	<u>263,420</u>	<u>274,000</u>	<u>(10,580)</u>
Receipts over expenditures	1,827	15,328		
Unencumbered Cash, Beginning	<u>18,721</u>	<u>20,548</u>		
Unencumbered Cash, Ending	<u>\$ 20,548</u>	<u>35,876</u>		



## City of Peabody, Kansas

**Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2019  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u>	<u>2019</u>
<b><u>SEWER REPLACEMENT RESERVE</u></b>		
RECEIPTS		
Interest	\$ 39	52
Land lease	2,450	2,500
Transfer from Sewer Operating	<u>30,000</u>	<u>60,000</u>
	32,489	62,552
EXPENDITURES		
Capital outlay	<u>5,850</u>	<u>-</u>
Receipts over expenditures	26,639	62,552
Unencumbered Cash, Beginning	<u>74,569</u>	<u>101,208</u>
Unencumbered Cash, Ending	<u><u>\$ 101,208</u></u>	<u><u>163,760</u></u>
<b><u>WATER REPLACEMENT RESERVE</u></b>		
RECEIPTS		
Transfer from Water Operating	\$ 24,000	60,000
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over expenditures	24,000	60,000
Unencumbered Cash, Beginning	<u>-</u>	<u>24,000</u>
Unencumbered Cash, Ending	<u><u>\$ 24,000</u></u>	<u><u>84,000</u></u>

## City of Peabody, Kansas

**Trust Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL  
Regulatory BasisFor the Year Ended December 31, 2019  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	<u>2018</u>	<u>2019</u>
<u>DRUG FORFEITURE</u>		
RECEIPTS	\$ 2,059	-
EXPENDITURES	<u>287</u>	<u>-</u>
Receipts over (under) expenditures	1,772	-
Unencumbered Cash, Beginning	<u>1,182</u>	<u>2,954</u>
Unencumbered Cash, Ending	<u>\$ 2,954</u>	<u>2,954</u>
 <u>HART TRUST</u>		
RECEIPTS	\$ 29,253	10,935
EXPENDITURES	<u>18,493</u>	<u>-</u>
Receipts over expenditures	10,760	10,935
Unencumbered Cash, Beginning	<u>8,242</u>	<u>19,002</u>
Unencumbered Cash, Ending	<u>\$ 19,002</u>	<u>29,937</u>