

**CITY OF CENTRALIA
CENTRALIA, KANSAS**

**FINANCIAL STATEMENT
DECEMBER 31, 2019**

CITY OF CENTRALIA, KANSAS

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Centralia, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Centralia, 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 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 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 the 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 opinions.

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.

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, and individual fund schedules of regulatory basis receipts and expenditures-actual, and the schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3, and 4 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.

James Gordon & Associates CPA, P.A.

James Gordon & Associates CPA, P.A.

Manhattan, Kansas

July 15, 2020



CITY OF CENTRALIA, 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 Encumbrances And Accounts Payable	Ending Cash Balance
General Funds:						
General Fund	\$ 43,136	\$ 287,230	\$ 293,405	\$ 36,961	\$ -	\$ 36,961
Special Purpose Funds:						
Library Fund	-	29,980	29,980	-	-	-
Special Highway Fund	50,609	14,121	20,000	44,730	-	44,730
Capital Improvement Fund	59,842	-	-	59,842	-	59,842
Equipment Reserve Fund	30,904	30,000	20,089	40,815	-	40,815
Business Funds:						
Water Utility Fund	146,586	97,797	106,616	137,767	-	137,767
Sewer Utility Fund	92,017	40,472	41,486	91,003	-	91,003
Electric Utility Fund	211,532	537,332	484,332	264,532	-	264,532
Centralia Lake Fund	46,043	68,835	66,599	48,279	-	48,279
Electric Reserve Fund	4,171	69,630	63,800	10,001	-	10,001
Water Reserve Fund	28,598	35,000	25,890	37,708	-	37,708
Capital Project Funds:						
Capital Project Electric - Phase I	66,923	133,293	200,216	-	-	-
Capital Project Electric - Phase II	-	85,000	23,825	61,175	-	61,175
Related Municipal Entity:						
Centralia City Library	61,680	49,264	59,351	51,593	-	51,593
Total	<u>\$ 842,041</u>	<u>\$ 1,477,954</u>	<u>\$ 1,435,589</u>	<u>\$ 884,406</u>	<u>\$ -</u>	<u>\$ 884,406</u>

Composition of Cash:

Checking account	\$ 539,881
Certificates of deposit	<u>350,000</u>

Total

889,881

Less Agency Funds (per Schedule 3)

(5,475)

Total Reporting Entity (Excluding Agency Funds)

\$ 884,406

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Centralia, Kansas (the City), is a municipal corporation governed by an elected five-member council plus a mayor. This regulatory financial statement presents the City. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate.

Centralia City Library

The Centralia City Library (the CCL), is organized under K.S.A. 12-1218. The City levies a property tax for the CCL under K.S.A 79-1952, which is deposited in the City's Library Fund and transferred to the CCL for its operations.

Regulatory Basis Fund Types

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the City for the year 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 funds – Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources that are intended for specified purposes.

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

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

Agency funds – Used to account for assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.)

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 1 – Summary of Significant Accounting Policies (continued)

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 regulatory basis of accounting.

Reimbursed Expenses

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

Note 2 – Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 2 – Budgetary Information (continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There were no such amendments to the 2019 budget.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality 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 and the following special purpose funds:

Special Purpose Funds: Capital Improvement Fund and Equipment Reserve Fund

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

Note 3 – Deposits and Investments

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 and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 (d) (1) 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.

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 3 – Deposits and Investments (continued)

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 Government'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 did not have a peak period pledge agreement during 2019, and therefore the City did not designate peak periods. All deposits were legally secured at December 31, 2019.

At December 31, 2019, the carrying amount of the City's deposits including certificates of deposit was \$832,813 and the bank balance was \$906,625. The bank balance was held at one bank resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks and deposits. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

Related Municipal Entity

At December 31, 2019, the carrying amount of the CCL deposits including certificates of deposit was \$51,593 and the bank balance was \$51,643. The bank balance was held at one bank. The difference between the carrying amount and the bank balance is outstanding checks and deposits. Of the bank balance, \$51,643 was covered by FDIC insurance.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Government 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 – Compliance, Stewardship and Accountability

K.S.A 79-2935 states that expenditures, including encumbrances, in any lawfully budget funds shall not exceed the adopted budget of expenditures plus any reimbursements (budget credits) of current year expenditures for such fund for that budget year. The Centralia Lake Fund exceeded the adopted budget by \$10,068 which appears to be a violation of this statute.

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 5 – Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

CITY OF CENTRALIA, KANSAS

**NOTES TO THE FINANCIAL STATEMENT
DECEMBER 31, 2019**

Note 6 – 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 and Service Fee Paid
General Obligation Bonds:									
Series 1999	4.375%	11/3/1999	\$ 485,000	11/3/2039	\$ 350,895	\$ -	\$ 10,538	\$ 340,357	\$ 15,352
Series 2018-A	3.00%	5/2/2018	460,000	9/1/2027	460,000	-	50,000	410,000	13,800
					<u>\$ 810,895</u>	<u>\$ -</u>	<u>\$ 60,538</u>	<u>\$ 750,357</u>	<u>\$ 29,152</u>

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

	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	Total
Principal									
Series 1999	\$ 10,999	\$ 11,481	\$ 11,983	\$ 12,507	\$ 13,054	\$ 74,355	\$ 92,107	\$ 113,871	\$ 340,357
Series 2018-A	50,000	50,000	50,000	50,000	50,000	160,000	-	-	410,000
	<u>60,999</u>	<u>61,481</u>	<u>61,983</u>	<u>62,507</u>	<u>63,054</u>	<u>234,355</u>	<u>92,107</u>	<u>113,871</u>	<u>750,357</u>
Interest									
Series 1999	14,891	14,409	13,907	13,383	12,836	55,095	37,343	15,353	177,217
Series 2018-A	12,300	10,800	9,300	7,800	6,300	9,750	-	-	56,250
	<u>27,191</u>	<u>25,209</u>	<u>23,207</u>	<u>21,183</u>	<u>19,136</u>	<u>64,845</u>	<u>37,343</u>	<u>15,353</u>	<u>233,467</u>
	<u>\$ 88,190</u>	<u>\$ 86,690</u>	<u>\$ 85,190</u>	<u>\$ 83,690</u>	<u>\$ 82,190</u>	<u>\$ 299,200</u>	<u>\$ 129,450</u>	<u>\$ 129,224</u>	<u>\$ 983,824</u>

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 7 – Interfund Transactions

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Authority</u>
Water Utility Fund	Water Reserve Fund	\$ 35,000	K.S.A. 12-825d
Water Utility Fund	Library Fund	5,000	
Water Utility Fund	General Fund	20,000	K.S.A. 12-825d
Sewer Utility Fund	General Fund	20,000	K.S.A. 12-825d
Electric Utility Fund	Electric Reserve Fund	69,630	K.S.A. 12-825d
Electric Utility Fund	Centralia Lake Fund	5,000	K.S.A. 12-825d
Electric Utility Fund	Equipment Reserve Fund	30,000	K.S.A. 12-825d
Electric Utility Fund	General Fund	35,000	K.S.A. 12-825d
Electric Utility Fund	Capital Project Electric - Phase II Fund	85,000	
Capital Project Electric - Phase I Fund	Electric Utility Fund	84,202	

Note 8 – Other Long-Term Obligations from Operations

Compensated Absences

The City maintains a policy of providing vacation and sick leave to its full-time employees, granted in varying amounts depending on length of service and date of hire. Vacation days are vesting and are allowed a maximum of 40 hours to be carried over into the next period. Sick leave is non-vesting and accumulates with a maximum accrual of 480 hours.

Per the City's policy at December 31, 2019, the City's liability for unused vacation was approximately \$3,100.

Note 9 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 9 – Risk Management (continued)

The City pays an annual premium to Kansas Municipal Insurance Trust for its worker's compensation and employer's liability insurance coverage. The agreement to participate provides that the Municipalities will be self-sustaining through member premiums. Additional premiums may be due if total claims for the pool are different than what has been anticipated by pool administrator.

The City continues to carry commercial insurance for all other risks of loss, including general liability, crime, inland marine, errors and omissions, business auto, and property. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10 – Defined Benefit Pension Plan

Plan Description: The non-school Municipality participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy: 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 employer contribution rates for KPERS 1, KPERS 2, KPERS 3 be determined annually 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 with a 0% moratorium from the period January 1, 2018 through September 30, 2018 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 (non-school municipality) were \$6,823 for the year ended December 31, 2019.

CITY OF CENTRALIA, KANSAS

NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2019

Note 10 – Defined Benefit Pension Plan (continued)

Net Pension Liability

At December 31, 2019, the City's proportionate share of the collective net pension liability reported by KPERS was \$54,386. 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 nonemployer 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 these financial statements.

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

Note 11 – Evaluation of Subsequent Events

In December 2019, an outbreak of a novel strain of corona virus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions or restrictions on the City's ability to operate under its current mission and operating model.

The City has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report, which is the date the financial statement was available for issue.

Regulatory-Required Supplementary Information

SCHEDULE 1

**CITY OF CENTRALIA, KANSAS
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Funds:					
General Fund	\$ 308,275	\$ -	\$ 308,275	\$ 293,405	\$ (14,870)
Special Purpose Funds:					
Library Fund	30,077	-	30,077	29,980	(97)
Special Highway Fund	30,000	-	30,000	20,000	(10,000)
Business Funds:					
Water Utility Fund	123,445	-	123,445	106,616	(16,829)
Sewer Utility Fund	63,827	-	63,827	41,486	(22,341)
Electric Utility Fund	510,966	-	510,966	484,332	(26,634)
Centralia Lake Fund	56,531	-	56,531	66,599	10,068
Electric Reserve Fund	63,800	-	63,800	63,800	-
Water Reserve Fund	25,890	-	25,890	25,890	-

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Actual	Budget	Variance Over (Under)
Receipts			
Ad valorem tax	\$ 56,028	\$ 55,793	\$ 235
Motor vehicle tax	10,571	11,520	(949)
Recreational vehicle tax	228	183	45
16/20M vehicle tax	280	242	38
Commercial vehicle tax	-	1,017	(1,017)
Watercraft tax	-	58	(58)
Sale of material	100	2,000	(1,900)
Local sales tax	47,220	46,779	441
Franchise tax	4,031	4,993	(962)
Special assessment tax	3,000	500	2,500
Reimbursements	12,013	4,000	8,013
Licenses	105	200	(95)
Library wage reimbursement	23,784	22,627	1,157
Pool revenue	5,830	5,500	330
Solid waste revenue	35,066	35,000	66
Interest on idle funds	13,241	5,016	8,225
Miscellaneous	733	500	233
Transfers in	75,000	85,000	(10,000)
Total Receipts	<u>287,230</u>	<u>\$ 280,928</u>	<u>\$ 6,302</u>
Expenditures			
General administration	95,021	\$ 117,584	\$ (22,563)
Streets	93,001	114,146	(21,145)
Pool	27,245	28,949	(1,704)
Solid waste	34,289	27,600	6,689
Parks	14,915	11,996	2,919
Library	23,733	-	23,733
Emergency services	4,776	8,000	(3,224)
Neighborhood revitalization rebate	425	-	425
Total Expenditures	<u>293,405</u>	<u>\$ 308,275</u>	<u>\$ (14,870)</u>
Receipts Over (Under) Expenditures	(6,175)		
Unencumbered Cash, Beginning	<u>43,136</u>		
Unencumbered Cash, Ending	<u>\$ 36,961</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 20,718	\$ 20,627	\$ 91
Motor vehicle tax	3,855	4,117	(262)
Recreational vehicle tax	82	66	16
16/20 M vehicle tax	109	87	22
Commercial vehicle tax	-	363	(363)
Watercraft tax	-	21	(21)
Miscellaneous	216	-	216
Transfers in	5,000	5,000	-
	<u>29,980</u>	<u>\$ 30,281</u>	<u>\$ (301)</u>
Expenditures			
Operating expenses	29,823	\$ 25,077	\$ 4,746
Building expenses	-	5,000	(5,000)
Neighborhood revitalization rebate	157	-	157
	<u>29,980</u>	<u>\$ 30,077</u>	<u>\$ (97)</u>
Excess (Deficit) Revenues Over Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

See independent auditor's report on regulatory-required supplementary information.

**CITY OF CENTRALIA, 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>	<u>Variance Over (Under)</u>
Receipts			
State of Kansas gas tax	\$ 14,121	\$ 13,850	\$ 271
Total Receipts	<u>14,121</u>	<u>\$ 13,850</u>	<u>\$ 271</u>
Expenditures			
Street repair and maintenance	<u>20,000</u>	\$ 30,000	\$ (10,000)
Total Expenditures	<u>20,000</u>	<u>\$ 30,000</u>	<u>\$ (10,000)</u>
Excess (Deficit) Revenues Over Expenditures	(5,879)		
Unencumbered Cash, Beginning	<u>50,609</u>		
Unencumbered Cash, Ending	<u>\$ 44,730</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>
Receipts	
Transfers in	\$ -
Total Receipts	<u>-</u>
Expenditures	
Capital outlay	<u>-</u>
Total Expenditures	<u>-</u>
Excess (Deficit) Revenues	
Over Expenditures	-
Unencumbered Cash, Beginning	<u>59,842</u>
Unencumbered Cash, Ending	<u><u>\$ 59,842</u></u>

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>
Receipts	
Transfers in	<u>\$ 30,000</u>
Total Receipts	<u>30,000</u>
Expenditures	
Capital outlay	<u>20,089</u>
Total Expenditures	<u>20,089</u>
Excess (Deficit) Revenues	
Over Expenditures	9,911
Unencumbered Cash, Beginning	<u>30,904</u>
Unencumbered Cash, Ending	<u><u>\$ 40,815</u></u>

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, 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>	<u>Variance Over (Under)</u>
Receipts			
Fees received	\$ 97,797	\$ 93,058	\$ 4,739
Total Receipts	<u>97,797</u>	<u>\$ 93,058</u>	<u>\$ 4,739</u>
Expenditures			
Salaries	6,050	\$ 12,214	\$ (6,164)
Benefits	1,188	1,613	(425)
Purchased water	23,085	25,000	(1,915)
Commodities	75	3,000	(2,925)
Contractual	13,174	14,618	(1,444)
Insurance	3,044	2,000	1,044
Transfers out	<u>60,000</u>	<u>65,000</u>	<u>(5,000)</u>
Total Expenditures	<u>106,616</u>	<u>\$ 123,445</u>	<u>\$ (16,829)</u>
Excess (Deficit) Revenues Over Expenditures	(8,819)		
Unencumbered Cash, Beginning	<u>146,586</u>		
Unencumbered Cash, Ending	<u>\$ 137,767</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, 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>	<u>Variance Over (Under)</u>
Receipts			
Fees received	\$ 40,472	\$ 38,563	\$ 1,909
Total Receipts	<u>40,472</u>	<u>\$ 38,563</u>	<u>\$ 1,909</u>
Expenditures			
Salaries	7,940	\$ 12,214	\$ (4,274)
Benefits	1,748	1,613	135
Operating expenses	11,798	15,000	(3,202)
Transfers out	<u>20,000</u>	<u>35,000</u>	<u>(15,000)</u>
Total Expenditures	<u>41,486</u>	<u>\$ 63,827</u>	<u>\$ (22,341)</u>
Excess (Deficit) Revenues Over Expenditures	(1,014)		
Unencumbered Cash, Beginning	<u>92,017</u>		
Unencumbered Cash, Ending	<u>\$ 91,003</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
ELECTRIC 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>	<u>Variance Over (Under)</u>
Receipts			
Fees received	\$ 410,304	\$ 423,736	\$ (13,432)
Reimbursement	42,826	-	42,826
Transfers in	84,202	-	84,202
Total Receipts	<u>537,332</u>	<u>\$ 423,736</u>	<u>\$ 113,596</u>
Expenditures			
Salaries	16,261	\$ 29,842	\$ (13,581)
Benefits	2,210	3,918	(1,708)
Purchased electricity	181,889	187,206	(5,317)
Electric transmissions cost	21,985	45,000	(23,015)
Commodities	6,058	1,000	5,058
Contractual	27,894	13,500	14,394
Insurance	1,805	500	1,305
Capital outlay	-	50,000	(50,000)
Miscellaneous	1,600	-	1,600
Transfers out	224,630	180,000	44,630
Total Expenditures	<u>484,332</u>	<u>\$ 510,966</u>	<u>\$ (26,634)</u>
Excess (Deficit) Revenues Over Expenditures	53,000		
Unencumbered Cash, Beginning	<u>211,532</u>		
Unencumbered Cash, Ending	<u>\$ 264,532</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
CENTRALIA LAKE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Lake permit fees	\$ 40,173	\$ 20,000	\$ 20,173
Kansas fish and game permits	17,700	15,048	2,652
Haying lease payments	5,962	4,650	1,312
Transfers in	5,000	5,000	-
Total Receipts	<u>68,835</u>	<u>\$ 44,698</u>	<u>\$ 24,137</u>
Expenditures			
Salaries	13,026	\$ 17,600	\$ (4,574)
Benefits	-	1,346	(1,346)
Contractual	1,322	1,200	122
Commodities	5,154	6,500	(1,346)
Insurance	3,579	3,200	379
Utilities	17,140	11,685	5,455
Road work	12,414	9,000	3,414
Capital outlay	11,705	6,000	5,705
Miscellaneous	2,259	-	2,259
Total Expenditures	<u>66,599</u>	<u>\$ 56,531</u>	<u>\$ 10,068</u>
Excess (Deficit) Revenues Over Expenditures	2,236		
Unencumbered Cash, Beginning	<u>46,043</u>		
Unencumbered Cash, Ending	<u>\$ 48,279</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
ELECTRIC RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Transfer in	\$ 69,630	\$ 100,000	\$ (30,370)
Total Receipts	<u>69,630</u>	<u>\$ 100,000</u>	<u>\$ (30,370)</u>
Expenditures			
Bond principal	50,000	\$ 50,000	\$ -
Bond interest	<u>13,800</u>	<u>13,800</u>	<u>-</u>
Total Expenditures	<u>63,800</u>	<u>\$ 63,800</u>	<u>\$ -</u>
Excess (Deficit) Revenues Over Expenditures	5,830		
Unencumbered Cash, Beginning	<u>4,171</u>		
Unencumbered Cash, Ending	<u>\$ 10,001</u>		

See independent auditor's report on regulatory-required supplementary information.

**CITY OF CENTRALIA, KANSAS
WATER RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Transfers in	\$ 35,000	\$ 35,000	\$ -
Total Receipts	<u>35,000</u>	<u>\$ 35,000</u>	<u>\$ -</u>
Expenditures			
Bond principal	10,538	\$ 10,538	\$ -
Bond interest	<u>15,352</u>	<u>15,352</u>	<u>-</u>
Total Expenditures	<u>25,890</u>	<u>\$ 25,890</u>	<u>\$ -</u>
Excess (Deficit) Revenues Over Expenditures	9,110		
Unencumbered Cash, Beginning	<u>28,598</u>		
Unencumbered Cash, Ending	<u>\$ 37,708</u>		

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
CAPITAL PROJECT ELECTRIC – PHASE I FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>
Receipts	
Grant income	\$ 133,293
Total Receipts	<u>133,293</u>
Expenditures	
Capital outlay	116,014
Transfers out	<u>84,202</u>
Total Expenditures	<u>200,216</u>
Excess (Deficit) Revenues	
Over Expenditures	(66,923)
Unencumbered Cash, Beginning	<u>66,923</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
CAPITAL PROJECT ELECTRIC – PHASE II FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>
Receipts	
Transfers in	<u>\$ 85,000</u>
Total Receipts	<u>85,000</u>
Expenditures	
Capital outlay	<u>23,825</u>
Total Expenditures	<u>23,825</u>
Excess (Deficit) Revenues	
Over Expenditures	61,175
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ 61,175</u></u>

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
 AGENCY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Utility Deposits	\$ 5,250	\$ 4,200	\$ 3,975	\$ 5,475
Total Agency Funds	<u>\$ 5,250</u>	<u>\$ 4,200</u>	<u>\$ 3,975</u>	<u>\$ 5,475</u>

See independent auditor's report on regulatory-required supplementary information.

CITY OF CENTRALIA, KANSAS
 SCHEDULE OF RECEIPTS AND EXPENDITURES
 CENTRALIA CITY LIBRARY
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Actual</u>
Receipts	
Miscellaneous	49,264
Total Receipts	<u>49,264</u>
Expenditures	
Salaries	23,784
Operating expenses	5,239
Contractual	3,489
Commodities	6,445
Capital outlay	20,379
Miscellaneous	15
Total Expenditures	<u>59,351</u>
Excess (Deficit) Revenues	
Over Expenditures	(10,087)
Unencumbered Cash, Beginning	<u>61,680</u>
Unencumbered Cash, Ending	<u>\$ 51,593</u>

See independent auditor's report on regulatory-required supplementary information.