



Certified Public Accountants

CITY OF DE SOTO, KANSAS

FINANCIAL STATEMENT
YEAR ENDED DECEMBER 31, 2020

CITY OF DE SOTO, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended December 31, 2020

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INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of De Soto, Kansas:

Report on the Financial Statement

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

Management's Responsibility for the Financial 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 2; 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 a financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' 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 auditors' 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.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

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

As described in Note 2 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 2 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” paragraphs, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Other Matters

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of regulatory receipts, expenditures, and unencumbered cash balances (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying 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 2.

B.T. & Co., P.A.

May 17, 2021
Topeka, Kansas

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CITY OF DE SOTO, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND
UNENCUMBERED CASH
REGULATORY BASIS
Year Ended December 31, 2020

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances
General fund	\$ 2,372,611	\$ -
Special purpose funds:		
Law enforcement	104,954	-
Special highway	24,683	-
Special parks and recreation	44,418	-
Transient guest tax	44,321	-
Sponsorship	25,579	-
Water development fee	43,458	-
Sewer development fee	93,042	-
Electric utility investment	1,539,585	-
Enhancement community fountain	36	-
Commerce Drive tax increment	8,521	-
CDBG	-	-
Community center building maintenance	-	-
Aquatic center maintenance	-	-
Bond and interest fund	663,790	-
Capital project funds:		
Capital improvements	376,624	-
Business funds:		
Water system	1,442,830	-
Sewer system	382,614	-
Refuse system	75,234	-
Shop	(2,933)	-
Shughart trust fund	24,444	-
	<u>\$ 7,263,811</u>	<u>\$ -</u>
Total reporting entity (excluding agency fund)	<u>\$ 7,263,811</u>	<u>\$ -</u>

See accompanying notes to financial statement.

Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
\$ 5,108,444	\$ 5,192,266	\$ 2,288,789	\$ 16,224	\$ 2,305,013
519,388	523,164	101,178	130,640	231,818
168,476	166,950	26,209	-	26,209
54,732	25,375	73,775	-	73,775
20,050	28,000	36,371	-	36,371
1,802	136	27,245	-	27,245
76,025	20,000	99,483	-	99,483
57,775	41,556	109,261	-	109,261
158,153	142,086	1,555,652	18,996	1,574,648
-	-	36	-	36
202,165	198,937	11,749	-	11,749
79,085	79,085	-	-	-
35,000	35,000	-	-	-
32,500	-	32,500	-	32,500
1,752,903	1,661,939	754,754	-	754,754
1,094,399	899,017	572,006	94,906	666,912
1,955,873	1,933,219	1,465,484	22,944	1,488,428
714,493	677,908	419,199	23,522	442,721
568,515	561,009	82,740	-	82,740
103,750	108,638	(7,821)	7,879	58
299	-	24,743	-	24,743
<u>\$ 12,703,827</u>	<u>\$ 12,294,285</u>	<u>\$ 7,673,353</u>	<u>\$ 315,111</u>	<u>\$ 7,988,464</u>

Composition of cash

Great American Bank:

Checking accounts	\$ 146,541
ICS (insured cash sweep)	1,473,526
Certificates of deposit	3,186,852

Tri-Century Bank:

Checking accounts	27,744
ICS (insured cash sweep)	3,183,564

Kansas Municipal Investment Pool

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Total cash	8,018,242
Agency funds per Schedule 4	(29,778)

Total reporting entity (excluding agency fund)	<u>\$ 7,988,464</u>
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CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2020

1 - Municipal Financial Reporting Entity

The City of De Soto, Kansas (the City) is a municipal corporation governed by a mayor and five-member council. The basic financial statement presents the City as the primary government. The City has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) 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 revenues 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.

(b) Regulatory Basis Fund Types

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 on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

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

General Fund is used to account for the general operations of the City and is used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital Project Funds are 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 are financed in whole or in part by fees charged to users of the goods or services.

Shughart Trust Fund is used to report assets held in trust for the benefit of the City.

Agency Funds are used to report assets held by the City in a purely custodial capacity.

(c) 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), the bond and interest fund, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
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.

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. The City amended the budgets for the general, refuse and water funds for the year ended December 31, 2020.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each budgeted 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. 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 certain special purpose funds, capital project funds, trust funds, or agency funds.

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

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the City after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20th of the ensuing year. Additional amounts are distributed on four subsequent dates throughout the calendar year.

(d) Annual Personal and Sick Leave Benefits

Under the terms of the City's personnel policy, City employees are granted annual personal and sick leave in varying amounts.

Full-time employees accrue vacation each year at the following rates:

- One to four years of service – 10 days
- Five to nine years of service – 15 days
- 10 to 14 years of service – 20 days
- 15 to 19 years of service – 25 days
- 20 or more years of service – 30 days

Employees cannot carry over more than one half of the annual entitlement for the year in which it was earned. Upon termination or resignation, employees are compensated for unused vacation time, up to a maximum of the yearly amount of vacation time earned.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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 (KMIP). The City has no investment policy that would further limit its investment choices.

The City may invest bond proceeds pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

At December 31, 2020, the City had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)
Kansas Municipal Investment Pool	\$ 15	Less than a year

KMIP is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The City's investment in the KMIP was not rated by a rating agency as of December 31, 2020.

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. The City's investments were composed of KMIP deposits as of the fiscal year ended December 31, 2020.

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. Kansas statutes require the deposits be collateralized and that collateral pledged must have a fair market value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

At December 31, 2020, the City's carrying amount of deposits was \$ 8,018,227, and the bank balance was \$ 8,565,358. Of the bank balance, \$ 8,322,997 was covered by federal depository insurance, and the remaining balance of \$ 242,361 was unsecured at year-end.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At December 31, 2020, the City's investments were not exposed to custodial credit risk.

4 - Defined Benefit Pension Plan

General Information about the 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 www.kpers.org or by writing to KPERS (611 South Kansas Avenue, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6.00% 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 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$ 200,004 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 \$ 1,861,788. 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

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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 or can be obtained as described above.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities.

Changes in long-term debt for the City for the year ended December 31, 2020 were as follows:

Issue	Interest Rates	Date of Issue	Date of Final Maturity	Original Amount Issued	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:									
Series 2010 B	6.00%	4/28/2010	9/1/2035	\$ 710,000	\$ 710,000	\$ -	\$ -	\$ 710,000	\$ 42,600
Series 2010 C	6.50% - 7.00%	12/7/2010	9/1/2040	1,080,000	1,080,000	-	-	1,080,000	73,700
Series 2010 D	4.60%	12/7/2010	9/1/2027	85,000	85,000	-	-	85,000	3,910
Series 2012 A	2.00% - 3.30%	6/6/2012	9/1/2034	4,475,000	2,560,000	-	335,000	2,225,000	62,973
Series 2013 A	4.00% - 5.00%	9/19/2013	9/1/2043	1,015,000	895,000	-	20,000	875,000	42,185
Series 2015 A	3.00% - 4.00%	7/24/2015	9/1/2045	9,635,000	7,905,000	-	445,000	7,460,000	259,388
Series 2015 B	2.00% - 4.00%	7/31/2015	9/1/2035	1,765,000	1,465,000	-	75,000	1,390,000	46,000
Series 2017 A	2.50% - 3.50%	9/28/2017	9/1/2039	2,285,000	2,175,000	-	55,000	2,120,000	67,613
Series 2019	3.00% - 4.00%	4/11/2019	9/1/2039	945,000	945,000	-	35,000	910,000	31,000
Series 2019-B	3.00% - 4.00%	6/27/2019	9/1/2039	975,000	975,000	-	30,000	945,000	37,571
					<u>\$ 18,795,000</u>	<u>\$ -</u>	<u>\$ 995,000</u>	<u>\$ 17,800,000</u>	<u>\$ 666,940</u>

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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

	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040	2041-2045	Total
Principal:										
General obligation bonds:										
Series 2010 B	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 710,000	\$ -	\$ -	\$ 710,000
Series 2010 C	-	-	-	-	-	235,000	385,000	460,000	-	1,080,000
Series 2010 D	-	-	-	-	-	85,000	-	-	-	85,000
Series 2012 A	305,000	315,000	300,000	290,000	275,000	460,000	280,000	-	-	2,225,000
Series 2013 A	20,000	25,000	25,000	25,000	25,000	150,000	185,000	245,000	175,000	875,000
Series 2015 A	450,000	455,000	470,000	480,000	490,000	2,545,000	1,125,000	655,000	790,000	7,460,000
Series 2015 B	80,000	80,000	85,000	85,000	85,000	475,000	500,000	-	-	1,390,000
Series 2017 A	100,000	100,000	105,000	110,000	115,000	950,000	330,000	310,000	-	2,120,000
Series 2019 A	35,000	35,000	40,000	40,000	40,000	225,000	260,000	235,000	-	910,000
Series 2019 B	35,000	35,000	40,000	40,000	40,000	235,000	270,000	250,000	-	945,000
Total principal	1,025,000	1,045,000	1,065,000	1,070,000	1,070,000	5,360,000	4,045,000	2,155,000	965,000	17,800,000
Interest:										
General obligation bonds:										
Series 2010 B	27,690	27,690	27,690	27,690	27,690	138,450	86,386	-	-	363,286
Series 2010 C	40,536	40,536	40,536	40,536	40,536	191,952	133,700	54,544	-	582,876
Series 2010 D	3,910	3,910	3,910	3,910	3,910	5,060	-	-	-	24,610
Series 2012 A	56,273	50,173	43,085	36,335	29,085	78,563	24,735	-	-	318,249
Series 2013 A	41,725	40,925	39,925	38,925	37,925	172,075	132,975	81,750	17,750	603,975
Series 2015 A	250,488	236,988	218,788	199,988	185,588	703,540	340,515	227,782	94,357	2,458,034
Series 2015 B	44,500	42,900	40,900	38,775	36,225	140,775	56,775	-	-	400,850
Series 2017 A	65,962	62,962	59,962	56,812	53,512	200,700	90,302	27,476	-	617,688
Series 2019 A	29,600	28,200	26,800	25,200	23,600	95,500	59,100	17,850	-	305,850
Series 2019 B	30,700	29,300	27,900	26,300	24,700	100,050	62,100	19,050	-	320,100
Total interest	591,384	563,584	529,496	494,471	462,771	1,826,665	986,588	428,452	112,107	5,995,518
Total principal and interest	\$ 1,616,384	\$ 1,608,584	\$ 1,594,496	\$ 1,564,471	\$ 1,532,771	\$ 7,186,665	\$ 5,031,588	\$ 2,583,452	\$ 1,077,107	\$ 23,795,518

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

Conduit Debt

Tax Increment Revenue Bonds

During the year ended December 31, 2018, the City issued \$ 2,161,559 in Series 2018 special obligation tax increment revenue bonds for the Commerce Drive Project. This redevelopment project supports the development of a commercial grocery store site on land in the Commerce Drive TIF District.

This debt is to be paid solely from incremental property tax revenues generated by the private development of the Commerce Drive TIF District. The following is a description of the outstanding special obligation bond as of December 31, 2020:

Bond Issue	Interest Rate	Date Issued	Original Issue Amount	Final Maturity	Outstanding Balance
Series 2018 (Commerce Drive Project)	5.00%	2/16/2018	\$ 2,161,559	12/30/2036	\$ 1,786,559

Industrial Revenue Bonds

The City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, the State of Kansas, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. As of December 31, 2020, there were three series of industrial revenue bonds outstanding with an aggregate principal amount payable of \$ 57,371,714.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Interfund Transfers

A reconciliation of transfers by fund for the year ending December 31, 2020 is as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Improvement	KSA 12-1118	\$ 66,620
General Fund	Community Center Building Maintenance	KSA 12-17,118	35,000
General Fund	Aquatic Center Maintenance	KSA 12-17,118	32,500
Special Highway	Bond and Interest	Bond Ord 2168	35,000
Special Highway	Capital Improvement	KSA 12-1118	131,950
Special Parks	Capital Improvement	KSA 12-1118	25,375
CDBG	Capital Improvement	KSA 12-1118	79,085
Water Development Fee	Bond and Interest	KSA 12-825d	20,000
Sewer Development Fee	Bond and Interest	KSA 12-825d	40,000
Capital Improvement	Bond and Interest	KSA 12-1118	35,000
Water	General Fund	KSA 12-825d	103,306
Water	Bond and Interest	KSA 12-825d	390,334
Water	Water Development Fee	KSA 12-825d	45,000
Water	Sewer	KSA 12-825d	60,606
Sewer	General Fund	KSA 12-1118	23,306
Sewer	Bond and Interest	KSA 12-825d	140,000
Sewer	Sewer Development Fee	KSA 12-825d	15,000
Electric Utility Fund	Capital Improvement	KSA 12-1118	27,815

7 - 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. However, the cost of this subsidy has not been quantified in the basic financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Reimbursement 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, 2020.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

8 - Lease Agreement

The City continues to operate the water treatment plant at the former Sunflower Army Ammunition Plant, now owned by private developer Sunflower Redevelopment, LLC. The City's use is pursuant to a perpetual lease agreement dated July 29, 2005. Pursuant to a Real Estate Transfer Agreement dated July 29, 2005 between the City and Sunflower Redevelopment, LLC, the City will receive fee title interest to the treatment plant as soon as the land receives a CERCLA Covenant pursuant to 42 U.S.C. § 9620(h)(3)(A)(ii). The City initiated improvements to the water treatment plant site in 2010; the improvements included a back-up electrical generator, the installation of new electrical service to the plant, and a new water main leading from the plant to the City's distribution system. Construction was completed in 2011. The City, in conjunction with the City of Baldwin, the City of Wellsville, and the Douglas County Rural Water District #4, completed a broader water facilities study in 2012. The study evaluated the concept and costs of creating a regional wholesale water supply district. Proceeding with the creation of a regional wholesale water supply district does not appear feasible at the present time due to the City of Baldwin deciding not to participate.

9 - Interfund Balances

The Electric Utility Investment Fund has advanced money to the General Fund and Water Fund for the purchase of equipment in the amount of \$ 782,386. This amount includes two new advancements in 2020 for two trucks in the total amount of \$ 114,271. During fiscal year 2020, the General Fund and Water Fund paid the Electric Utility Investment Fund \$ 130,338 for repayment of the advances. The balance of the advances remaining at December 31, 2020 was \$ 274,418.

10 - Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the basic financial statement as of December 31, 2020.

11 - 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 for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

12 - Risks and Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and, on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the City operates. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the pandemic.

It is unknown how long the adverse conditions associated with the pandemic will last and what the complete financial effect will be to the City. Accordingly, while management cannot quantify the financial and other impacts to the City as of December 31, 2020, management believes that a material impact on the City's financial position and results of future operations is reasonably possible.

13 - Subsequent Events

The City has evaluated subsequent events through the date of the independent auditor's report, which is the date the financial statement is available to be issued.

SUPPLEMENTARY INFORMATION

CITY OF DE SOTO, KANSAS
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(BUDGETED FUNDS ONLY)
Year Ended December 31, 2020

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General fund	\$ 5,451,135	\$ -	\$ 5,451,135	\$ 5,192,266	\$ (258,869)
Special purpose funds:					
Law enforcement	592,099	-	592,099	523,164	(68,935)
Special highway	166,950	-	166,950	166,950	-
Special parks and recreation	25,375	-	25,375	25,375	-
Transient guest tax	34,000	-	34,000	28,000	(6,000)
Sponsorship	4,000	-	4,000	136	(3,864)
Water development fee	75,000	-	75,000	20,000	(55,000)
Sewer development fee	95,000	-	95,000	41,556	(53,444)
Community center building maintenance	35,000	-	35,000	35,000	-
Aquatic center maintenance	32,500	-	32,500	-	(32,500)
Bond and interest fund	2,045,421	-	2,045,421	1,661,939	(383,482)
Business funds:					
Water system	2,030,102	-	2,030,102	1,933,219	(96,883)
Sewer system	711,945	-	711,945	677,908	(34,037)
Refuse system	600,000	-	600,000	561,009	(38,991)
Totals	<u>\$ 11,898,527</u>	<u>\$ -</u>	<u>\$ 11,898,527</u>	<u>\$ 10,866,522</u>	

CITY OF DE SOTO, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts and transfers:				
Property taxes	\$ 1,281,911	\$ 1,284,157	\$ 1,267,694	\$ (16,463)
Sales and use taxes	1,700,000	1,855,000	1,981,429	126,429
Intergovernmental	14,000	15,000	445,885	430,885
Licenses and permits	65,000	18,900	249,737	230,837
Franchise fee	645,000	633,900	616,526	(17,374)
Charges for services	153,000	351,136	31,370	(319,766)
Use of money and property	70,000	60,512	64,909	4,397
Fines and fees	250,000	192,950	303,898	110,948
Miscellaneous	7,000	588,534	12,160	(576,374)
Interest income	9,000	7,500	8,224	724
Transfers in	126,612	126,612	126,612	-
Total receipts and transfers	<u>\$ 4,321,523</u>	<u>\$ 5,134,201</u>	<u>5,108,444</u>	<u>\$ (25,757)</u>
Expenditures, encumbrances, and transfers:				
Personal services	\$ 2,340,532	\$ 2,182,837	2,155,864	\$ (26,973)
Contractual services	1,036,545	1,405,953	1,076,464	(329,489)
Commodities	391,160	422,300	528,222	105,922
Capital outlay	1,357,688	1,280,425	822,253	(458,172)
Electric utility loan repayment	-	-	100,343	100,343
Miscellaneous	-	-	375,000	375,000
Reserve	797,500	-	-	-
Transfers out	134,120	159,620	134,120	(25,500)
Total expenditures, encumbrances, and transfers	<u>\$ 6,057,545</u>	<u>\$ 5,451,135</u>	<u>5,192,266</u>	<u>\$ (258,869)</u>
Receipts and transfers under expenditures, encumbrances, and transfers			(83,822)	
Unencumbered cash, beginning			<u>2,372,611</u>	
Unencumbered cash, ending			<u>\$ 2,288,789</u>	

(Continued)

CITY OF DE SOTO, KANSAS
LAW ENFORCEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Property taxes	\$ 534,936	\$ 519,388	\$ (15,548)
Expenditures and encumbrances:			
Contractual services	\$ 527,639	523,164	\$ (4,475)
Reserve	64,460	-	(64,460)
Total expenditures and encumbrances	\$ 592,099	523,164	\$ (68,935)
Receipts under expenditures and encumbrances		(3,776)	
Unencumbered cash, beginning		104,954	
Unencumbered cash, ending		\$ 101,178	

(Continued)

CITY OF DE SOTO, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts:			
Intergovernmental	<u>\$ 166,560</u>	\$ 168,476	<u>\$ 1,916</u>
Transfers:			
Transfers out	<u>\$ 166,950</u>	<u>166,950</u>	<u>\$ -</u>
Receipts over transfers		1,526	
Unencumbered cash, beginning		<u>24,683</u>	
Unencumbered cash, ending		<u>\$ 26,209</u>	

(Continued)

CITY OF DE SOTO, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 14,500	\$ 19,535	\$ 5,035
Charges for services	13,000	35,197	22,197
Total receipts	<u>\$ 27,500</u>	54,732	<u>\$ 27,232</u>
Transfers:			
Transfers out	<u>\$ 25,375</u>	25,375	<u>\$ -</u>
Receipts over transfers		29,357	
Unencumbered cash, beginning		<u>44,418</u>	
Unencumbered cash, ending		<u>\$ 73,775</u>	

(Continued)

CITY OF DE SOTO, KANSAS
TRANSIENT GUEST TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts:			
Intergovernmental	<u>\$ 28,500</u>	\$ 20,050	<u>\$ (8,450)</u>
Expenditures:			
Contractual services	<u>\$ 34,000</u>	<u>28,000</u>	<u>\$ (6,000)</u>
Receipts under expenditures		(7,950)	
Unencumbered cash, beginning		<u>44,321</u>	
Unencumbered cash, ending		<u>\$ 36,371</u>	

(Continued)

CITY OF DE SOTO, KANSAS
SPONSORSHIP FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for services	\$ 4,000	\$ 1,802	\$ (2,198)
Expenditures:			
Commodities	\$ 4,000	136	\$ (3,864)
Receipts over expenditures		1,666	
Unencumbered cash, beginning		25,579	
Unencumbered cash, ending		\$ 27,245	

(Continued)

CITY OF DE SOTO, KANSAS
WATER DEVELOPMENT FEE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Charges for services	\$ 30,000	\$ 31,025	\$ 1,025
Transfers in	45,000	45,000	-
Total receipts and transfers	<u>\$ 75,000</u>	<u>76,025</u>	<u>\$ 1,025</u>
Expenditures and transfers:			
Miscellaneous	\$ 55,000	-	\$ (55,000)
Transfers out	20,000	20,000	-
Total expenditures and transfers	<u>\$ 75,000</u>	<u>20,000</u>	<u>\$ (55,000)</u>
Receipts and transfers over expenditures and transfers		56,025	
Unencumbered cash, beginning		<u>43,458</u>	
Unencumbered cash, ending		<u>\$ 99,483</u>	

(Continued)

CITY OF DE SOTO, KANSAS
SEWER DEVELOPMENT FEE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Charges for services	\$ 60,000	\$ 42,775	\$ (17,225)
Transfers in	15,000	15,000	-
Total receipts and transfers	<u>\$ 75,000</u>	<u>57,775</u>	<u>\$ (17,225)</u>
Expenditures and transfers:			
Capital outlay	\$ -	1,556	\$ 1,556
Miscellaneous	55,000	-	(55,000)
Transfers out	40,000	40,000	-
Total expenditures and transfers	<u>\$ 95,000</u>	<u>41,556</u>	<u>\$ (53,444)</u>
Receipts and transfers over expenditures and transfers		16,219	
Unencumbered cash, beginning		<u>93,042</u>	
Unencumbered cash, ending		<u>\$ 109,261</u>	

(Continued)

CITY OF DE SOTO, KANSAS
COMMUNITY CENTER BUILDING MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

(Continued)
Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	<u>\$ 35,000</u>	\$ 35,000	<u>\$ -</u>
Expenditures:			
Commodities	<u>\$ 35,000</u>	<u> 35,000</u>	<u>\$ -</u>
Receipts over expenditures		-	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u><u>\$ -</u></u>	

(Continued)

CITY OF DE SOTO, KANSAS
AQUATIC CENTER MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

(Continued)
Year Ended December 31, 2020

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	<u>\$ 32,500</u>	\$ 32,500	<u>\$ -</u>
Expenditures:			
Commodities	<u>\$ 32,500</u>	<u>-</u>	<u>\$ (32,500)</u>
Transfers over expenditures		32,500	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ 32,500</u>	

(Continued)

CITY OF DE SOTO, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Taxes	\$ 883,305	\$ 972,937	\$ 89,632
Miscellaneous	44,613	38,620	(5,993)
Interest income	5,151	10,889	5,738
Special assessments	100	70,123	70,023
Transfers in	660,334	660,334	-
Total receipts and transfers	<u>\$ 1,593,503</u>	<u>1,752,903</u>	<u>\$ 159,400</u>
Expenditures:			
Bond principal	\$ 920,000	995,000	\$ 75,000
Interest expense	628,871	666,939	38,068
Reserve	496,550	-	(496,550)
Total expenditures	<u>\$ 2,045,421</u>	<u>1,661,939</u>	<u>\$ (383,482)</u>
Receipts and transfers over expenditures		90,964	
Unencumbered cash, beginning		<u>663,790</u>	
Unencumbered cash, ending		<u>\$ 754,754</u>	

(Continued)

CITY OF DE SOTO, KANSAS
WATER SYSTEM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Charges for services	\$ 1,763,396	\$ 1,949,400	\$ 1,955,873	\$ 6,473
Expenditures, encumbrances, and transfers:				
Personal services	\$ 617,880	\$ 592,920	600,260	\$ 7,340
Contractual services	370,400	430,826	287,016	(143,810)
Commodities	356,700	322,400	406,536	84,136
Capital outlay	44,710	84,710	26,841	(57,869)
Electric utility loan repayment	-	-	13,320	13,320
Transfer out	599,246	599,246	599,246	-
Total expenditures, encumbrances, and transfers	\$ 1,988,936	\$ 2,030,102	1,933,219	\$ (96,883)
Receipts over expenditures, encumbrances, and transfers			22,654	
Unencumbered cash, beginning			1,442,830	
Unencumbered cash, ending			\$ 1,465,484	

(Continued)

CITY OF DE SOTO, KANSAS
SEWER SYSTEM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for services	\$ 589,825	\$ 653,887	\$ 64,062
Transfers in	60,606	60,606	-
Total receipts and transfers	<u>\$ 650,431</u>	<u>714,493</u>	<u>\$ 64,062</u>
Expenditures, encumbrances, and transfers:			
Personal services	\$ 193,464	193,921	\$ 457
Capital outlay	16,675	4,504	(12,171)
Contractual services	227,300	203,106	(24,194)
Commodities	96,200	81,396	(14,804)
Electric utility loan repayment	-	16,675	16,675
Transfers out	178,306	178,306	-
Total expenditures, encumbrances, and transfers	<u>\$ 711,945</u>	<u>677,908</u>	<u>\$ (34,037)</u>
Receipts and transfers over expenditures, encumbrances, and transfers		36,585	
Unencumbered cash, beginning		<u>382,614</u>	
Unencumbered cash, ending		<u>\$ 419,199</u>	

(Continued)

CITY OF DE SOTO, KANSAS
REFUSE SYSTEM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Charges for services	\$ 540,850	\$ 600,000	\$ 568,515	\$ (31,485)
Expenditures:				
Contractual services	\$ 550,000	\$ 600,000	561,009	\$ (38,991)
Receipts over expenditures			7,506	
Unencumbered cash, beginning			75,234	
Unencumbered cash, ending			\$ 82,740	

CITY OF DE SOTO, KANSAS
ELECTRIC UTILITY INVESTMENT FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2020

Receipts:	
Interest income	\$ 27,815
Loan repayment	130,338
	<hr/>
Total receipts	158,153
	<hr/>
Expenditures, encumbrances, and transfers:	
Commodities	114,271
Transfers out	27,815
	<hr/>
Total expenditures and transfers	142,086
	<hr/>
Receipts over expenditures, encumbrances, and transfers	16,067
Unencumbered cash, beginning	1,539,585
	<hr/>
Unencumbered cash, ending	\$ 1,555,652
	<hr/>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
ENHANCEMENT COMMUNITY FOUNTAIN FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2019

Unencumbered cash, beginning	\$ 36
Unencumbered cash, ending	\$ 36

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
COMMERCE DRIVE TAX INCREMENT FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

Receipts:	
Taxes	<u>\$ 202,165</u>
Expenditures:	
Contractual services	1,989
Miscellaneous	<u>196,948</u>
Total expenditures	<u>198,937</u>
Receipts over expenditures	3,228
Unencumbered cash, beginning	<u>8,521</u>
Unencumbered cash, ending	<u><u>\$ 11,749</u></u>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
CDBG FUND*
SCHEDULE OF RECEIPTS AND TRANSFERS
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

Receipts:	
Intergovernmental	\$ 79,085
Transfers:	
Transfers out	<u>79,085</u>
Receipts over transfers	-
Unencumbered cash, beginning	<u>-</u>
Unencumbered cash, ending	<u><u>\$ -</u></u>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
CAPITAL IMPROVEMENTS FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

Receipts and transfers:	
Intergovernmental	\$ 763,554
Transfers in	330,845
	<hr/>
Total receipts and transfers	1,094,399
	<hr/>
Expenditures, encumbrances, and transfers:	
Contractual services	864,017
Transfers out	35,000
	<hr/>
Total expenditures, encumbrances, and transfers	899,017
	<hr/>
Receipts and transfers under expenditures, encumbrances, and transfers	195,382
Unencumbered cash, beginning	376,624
	<hr/>
Unencumbered cash, ending	\$ 572,006
	<hr/> <hr/>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
SHOP FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

Receipts:	
Charges for services	\$ 103,750
Expenditures and encumbrances:	
Commodities	108,463
Contractual services	175
Total expenditures and encumbrances	108,638
Receipts under expenditures and encumbrances	(4,888)
Unencumbered cash, beginning	(2,933)
Unencumbered cash, ending	\$ (7,821)

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
SHUGHART TRUST FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2020

Receipts:	
Interest income	\$ 299
Unencumbered cash, beginning	<u>24,444</u>
Unencumbered cash, ending	<u>\$ 24,743</u>

* This fund is not required to be budgeted.

CITY OF DE SOTO, KANSAS
 AGENCY FUNDS
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 REGULATORY BASIS
 Year Ended December 31, 2020

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
IRB fund	\$ 11,249	\$ 10,000	\$ 4,500	\$ 16,749
Municipal court fund	13,193	13,315	13,479	13,029
	<u>\$ 24,442</u>	<u>\$ 23,315</u>	<u>\$ 17,979</u>	<u>\$ 29,778</u>