

**CITY OF MINNEOLA, KANSAS**

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**FINANCIAL STATEMENT  
with  
INDEPENDENT AUDITOR'S REPORT  
YEAR ENDED DECEMBER 31, 2020**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council  
Minneola, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Minneola, Kansas and its related municipal entity, the Minneola City Library (collectively referred to as the Municipal Financial Reporting Entity), 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 A; 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity 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 A 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 Municipal Financial Reporting Entity 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 balances of the Municipal Financial Reporting Entity 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 A.

## **Other Matters**

### **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 (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget and the individual fund schedules of regulatory basis receipts and expenditures (Schedules 1 and 2 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 A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated August 14, 2020, which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <https://admin.ks.gov/offices/oar/municipal-services/municipal-audits>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for year ended December 31, 2020 (Schedule 2 as listed in the table of contents), is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2019, on the basis of accounting described in Note A.

*Kennedy McKee & Company LLP*

August 19, 2021

# CITY OF MINNEOLA, KANSAS

## SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended December 31, 2020

| <u>Fund</u>                                | <u>Beginning<br/>unencumbered<br/>cash balance</u> | <u>Prior year<br/>canceled<br/>encumbrances</u> |
|--|--|---|
| General fund:                              |  |   |
| General                                    | <u>\$ 154,458</u>                                  | <u>\$ -</u>                                     |
| Special purpose funds:                     |  |   |
| Library                                    | 3,553  | -   |
| Library employee benefits                  | 388  | -   |
| Employee benefits                          | 9,090  | -   |
| Special highway                            | 4,707  | -   |
| Equipment reserve                          | 55,988   | -   |
| Capital improvements                       | <u>21,945</u>                                      | <u>-</u>  |
| Total special purpose funds                | <u>95,671</u>                                      | <u>-</u>  |
| Bond and interest fund:                    |  |   |
| Bond and interest                          | <u>13,668</u>                                      | <u>-</u>  |
| Capital project fund:                      |  |   |
| Water line project                         | 1,999,734  | -   |
| CCLIP grant                                | <u>-</u>   | <u>-</u>  |
| Total capital project funds                | <u>1,999,734</u>                                   | <u>-</u>  |
| Business funds:                            |  |   |
| Water utility                              | 80,549   | -   |
| Sewer utility                              | 36,413   | -   |
| Trash utility                              | <u>12,043</u>                                      | <u>-</u>  |
| Total business funds                       | <u>129,005</u>                                     | <u>-</u>  |
| Total City of Minneola                     | 2,392,536  | -   |
| Related municipal entity:                  |  |   |
| Minneola City Library                      | <u>83,782</u>                                      | <u>-</u>  |
| Total municipal financial reporting entity | <u>\$ 2,476,318</u>                                | <u>\$ -</u>                                     |
| Composition of cash:                       |  |   |
| Checking                                   |  |   |
| Debit card                                 |  |   |
| Money market                               |  |   |
| Certificate of deposit                     |  |   |
| Total City of Minneola                     |  |   |
| Related municipal entity                   |  |   |
| Total municipal financial reporting entity |  |   |

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

## STATEMENT 1

| <u>Receipts</u>     | <u>Expenditures</u> | <u>Ending<br/>unencumbered<br/>cash balance<br/>(deficit)</u> | <u>Add<br/>encumbrances<br/>and accounts<br/>payable</u> | <u>Ending<br/>cash balance</u> |
|---------------------|---------------------|---|--|--------------------------------|
| <u>\$ 397,629</u>   | <u>\$ 435,931</u>   | <u>\$ 116,156</u>   | <u>\$ 2,424</u>  | <u>\$ 118,580</u>              |
| 20,686              | 22,410              | 1,829   | -  | 1,829                          |
| 2,222               | 2,400               | 210   | -  | 210                            |
| 32,173              | 24,016              | 17,247  | -  | 17,247                         |
| 17,733              | 2,926               | 19,514  | -  | 19,514                         |
| 39,083              | 59,558              | 35,513  | -  | 35,513                         |
| 82,072              | 9,505               | 94,512  | 2,640  | 97,152                         |
| <u>193,969</u>      | <u>120,815</u>      | <u>168,825</u>  | <u>2,640</u>   | <u>171,465</u>                 |
| <u>41,009</u>       | <u>52,125</u>       | <u>2,552</u>  | <u>-</u>   | <u>2,552</u>                   |
| 3,604               | 186,980             | 1,816,358   | -  | 1,816,358                      |
| <u>-</u>            | <u>25,877</u>       | <u>(25,877)</u>   | <u>25,877</u>  | <u>-</u>                       |
| <u>3,604</u>        | <u>212,857</u>      | <u>1,790,481</u>  | <u>25,877</u>  | <u>1,816,358</u>               |
| 277,561             | 178,660             | 179,450   | 100  | 179,550                        |
| 81,247              | 70,528              | 47,132  | 100  | 47,232                         |
| 47,769              | 45,863              | 13,949  | -  | 13,949                         |
| <u>406,577</u>      | <u>295,051</u>      | <u>240,531</u>  | <u>200</u>   | <u>240,731</u>                 |
| 1,042,788           | 1,116,779           | 2,318,545   | 31,141   | 2,349,686                      |
| <u>48,251</u>       | <u>32,638</u>       | <u>99,395</u>   | <u>560</u>   | <u>99,955</u>                  |
| <u>\$ 1,091,039</u> | <u>\$ 1,149,417</u> | <u>\$ 2,417,940</u>   | <u>\$ 31,701</u>   | <u>\$ 2,449,641</u>            |
|                     |                     |   |  | \$ 2,081,140                   |
|                     |                     |   |  | 2,001                          |
|                     |                     |   |  | 216,545                        |
|                     |                     |   |  | <u>50,000</u>                  |
|                     |                     |   |  | 2,349,686                      |
|                     |                     |   |  | <u>99,955</u>                  |
|                     |                     |   |  | <u>\$ 2,449,641</u>            |

# CITY OF MINNEOLA, KANSAS

## NOTES TO THE FINANCIAL STATEMENT

December 31, 2020

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

#### 1. Municipal Financial Reporting Entity

The City of Minneola is a municipal corporation governed by an elected mayor and five-member council. This financial statement presents the City of Minneola (the Municipality) and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

**Minneola City Library.** The Library operates the City's public library. The members of the governing board of the Library are approved by the City Council. The Library is fiscally dependent on the City because the City provides substantial financial support in the form of appropriations. In addition, the Library is prohibited from issuing bonded debt without the approval of the City Council.

#### 2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

#### REGULATORY BASIS FUND TYPES

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific regulatory 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 and transfers from other funds) and payment of general long-term debt.

Capital Project fund – 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 fund – funds financed in whole or in part by fees charged to users for goods or services (i.e. enterprise and internal service funds, etc.).



## A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 3. 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.

### 4. 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:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in the official newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory 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.

## A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 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 the Capital Project funds, or the Equipment Reserve and Capital Improvements 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.

## B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the Kansas Department of Administration, and legal representatives of the City.

K.S.A. 10-130 requires that municipalities remit payments for any bonds, temporary notes, or interest to the state fiscal agent at least twenty days before the date of maturity. One payment was not made in accordance with this statute.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although the CCLIP grant fund overspent its cash by \$25,877, according to K.S.A. 12-1664, the City is not prohibited from financing the federal share of a local program from current funds, if available.

## C. 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 to 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. The City has no other policies that would further limit interest rate risk.

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 to 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.

## C. DEPOSITS AND INVESTMENTS (CONTINUED)

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

At December 31, 2020, the City's carrying amount of deposits was \$2,349,686 and the bank balance was \$2,354,099. Of the bank balance, \$250,000 was covered by federal depository insurance and \$2,104,099 was collateralized with securities held by the pledging financial institution's agents in the City's name.

## D. LONG-TERM DEBT

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

| <u>Issue</u>                           | <u>Balance<br/>beginning<br/>of year</u> | <u>Additions</u> | <u>Reductions/<br/>payments</u> | <u>Balance<br/>end<br/>of year</u> | <u>Interest<br/>paid</u> |
|--|--|------------------|---------------------------------|------------------------------------|--------------------------|
| General obligation bonds:              |  |                  |                                 |                                    |                          |
| General improvements                   |  |                  |                                 |                                    |                          |
| Issued September 28, 2009              |  |                  |                                 |                                    |                          |
| In the amount of \$465,000             |  |                  |                                 |                                    |                          |
| At an interest rate of 2.0%-4.25%      |  |                  |                                 |                                    |                          |
| Maturing November 1, 2020              | \$ 50,000                                | \$ -             | \$ 50,000                       | \$ -                               | \$ 2,125                 |
| General obligation temporary notes:    |  |                  |                                 |                                    |                          |
| Water line project                     |  |                  |                                 |                                    |                          |
| Issued October 16, 2019                |  |                  |                                 |                                    |                          |
| In the amount of \$2,655,000           |  |                  |                                 |                                    |                          |
| At an interest rate of 2.0%            |  |                  |                                 |                                    |                          |
| Maturing October 1, 2022               | 2,655,000                                | -                | -                               | 2,655,000                          | 50,888                   |
| Revolving loans:                       |  |                  |                                 |                                    |                          |
| Kansas Dept. of Health and Environment |  |                  |                                 |                                    |                          |
| Issued March 26, 2013                  |  |                  |                                 |                                    |                          |
| In the amount of \$712,780             |  |                  |                                 |                                    |                          |
| At an interest rate of 2.16%           |  |                  |                                 |                                    |                          |
| Maturing February 1, 2034              | 32,312                                   | -                | 32,312                          | -                                  | 3,738                    |
| Capital leases:                        |  |                  |                                 |                                    |                          |
| 2005 pumper fire truck                 |  |                  |                                 |                                    |                          |
| Issued March 30, 2017                  |  |                  |                                 |                                    |                          |
| In the amount of \$56,000              |  |                  |                                 |                                    |                          |
| At an interest rate of 3.35%           |  |                  |                                 |                                    |                          |
| Maturing April 1, 2022                 | 27,306                                   | -                | 11,441                          | 15,865                             | 742                      |
| 2015 JD backhoe                        |  |                  |                                 |                                    |                          |
| Issued March 31, 2017                  |  |                  |                                 |                                    |                          |
| In the amount of \$95,987              |  |                  |                                 |                                    |                          |
| At an interest rate of 3.25%           |  |                  |                                 |                                    |                          |
| Maturing April 1, 2022                 | 46,740                                   | -                | 19,597                          | 27,143                             | 1,232                    |
| 2017 JD skid steer                     |  |                  |                                 |                                    |                          |
| Issued June 6, 2017                    |  |                  |                                 |                                    |                          |
| In the amount of \$27,992              |  |                  |                                 |                                    |                          |
| At an interest rate of 3.25%           |  |                  |                                 |                                    |                          |
| Maturing June 1, 2022                  | 14,557                                   | -                | 14,557                          | -                                  | 367                      |
| 2020 Ford F250                         |  |                  |                                 |                                    |                          |
| Issued October 22, 2020                |  |                  |                                 |                                    |                          |
| In the amount of \$33,390              |  |                  |                                 |                                    |                          |
| At an interest rate of 2.75%           |  |                  |                                 |                                    |                          |
| Maturing November 1, 2025              | -  | 33,390           | 495                             | 32,895                             | 102                      |
| Total capital leases                   | 88,603                                   | 33,390           | 46,090                          | 75,903                             | 2,443                    |
| Total contractual indebtedness         | \$2,825,915                              | \$ 33,390        | \$ 128,402                      | \$2,730,903                        | \$ 59,194                |

#### D. LONG-TERM DEBT (CONTINUED)

Current maturities of general obligation temporary notes through maturity are as follows:

|       | <u>Principal<br/>due</u> | <u>Interest<br/>due</u> | <u>Total<br/>due</u> |
|-------|--------------------------|-------------------------|----------------------|
| 2021  | \$ -                     | \$ 53,100               | \$ 53,100            |
| 2022  | <u>2,655,000</u>         | <u>53,100</u>           | <u>2,708,100</u>     |
| Total | <u>\$ 2,655,000</u>      | <u>\$ 106,200</u>       | <u>\$ 2,761,200</u>  |

Current maturities of capital leases through maturity are as follows:

|      | <u>Principal<br/>due</u> | <u>Interest<br/>due</u> | <u>Total<br/>due</u> |
|------|--------------------------|-------------------------|----------------------|
| 2021 | <u>\$ 75,903</u>         | <u>\$ 599</u>           | <u>\$ 76,502</u>     |

#### E. TRANSFERS

A summary of transfers by type is as follows:

| <u>From</u>                            | <u>To</u>             | <u>Regulatory<br/>authority</u> | <u>Amount</u>     |
|--|-----------------------|---------------------------------|-------------------|
| Operating transfers:                   |                       |                                 |                   |
| General                                | Capital Improvements  | K.S.A. 12-1,118                 | \$ 82,072         |
| General                                | Equipment Reserve     | K.S.A. 12-1,117                 | 39,083            |
| Water Utility                          | Bond and Interest     | K.S.A. 12-825d                  | <u>30,000</u>     |
|  |                       |                                 | <u>\$ 151,155</u> |
| Transfers to related municipal entity: |                       |                                 |                   |
| Library                                | Minneola City Library |                                 | \$ 22,410         |
| Library Employee Benefits              | Minneola City Library |                                 | <u>2,400</u>      |
|  |                       |                                 | <u>\$ 24,810</u>  |

#### F. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

*Death and disability other post employment benefits.* As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate was set at 1% and contributions were \$1,124 for the year ended December 31, 2020.

*Compensated absences.* The City's compensated absence policy permits employees to accrue hours based on years of service and employment classification. The maximum accumulation also depends on years of service and employment classification. Upon reaching the maximum number of hours accrued, the leave accrual will change to extended leave and be deposited into the employee's Extended Illness Bank until the maximum hours are attained.

## G. DEFINED BENEFIT PENSION PLAN

### General Information about the Plan

*Plan description.* The City of Minneola 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 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. 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, KPERS 3 and KP&F 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 KPERS and 21.93% for KP&F for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$9,678 for KPERS and \$17,775 for KP&F 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 \$98,402 and \$181,814 for KP&F. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

## H. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

## I. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

|                           | <u>Project<br/>authorization</u> | <u>Cash<br/>disbursements<br/>and accounts<br/>payable<br/>to date</u> |
|---------------------------|----------------------------------|--|
| Water system improvements | \$ 467,300                       | \$ 228,800   |
| Streetscape design        | <u>36,806</u>                    | <u>36,806</u>  |
|                           | <u>\$ 504,106</u>                | <u>\$ 265,606</u>  |

## J. CORONAVIRUS (COVID-19)

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City’s financial condition, liquidity, and future result of operations. The Council is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021.

## K. SUBSEQUENT EVENTS

Management has evaluated events subsequent to year end through August 19, 2021 and does not believe any events have occurred which affect the financial statement as presented except for the ongoing concern regarding the novel strain of coronavirus (COVID-19) as discussed in Note J above.

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

## CITY OF MINNEOLA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020

| <u>Fund</u>               | <u>Certified<br/>budget</u> | <u>Adjustment<br/>for<br/>qualifying<br/>budget<br/>credits</u> | <u>Total<br/>budget<br/>for<br/>comparison</u> | <u>Expenditures<br/>chargeable<br/>to current<br/>year</u> | <u>Variance<br/>favorable<br/>(unfavorable)</u> |
|---------------------------|-----------------------------|---|--|--|---|
| General fund:             |                             |   |  |  |   |
| General                   | \$ 466,880                  | \$ -  | \$ 466,880                                     | \$ 435,931   | \$ 30,949                                       |
| Special purpose funds:    |                             |   |  |  |   |
| Library                   | 22,410                      | -   | 22,410   | 22,410   | -   |
| Library employee benefits | 2,400                       | -   | 2,400  | 2,400  | -   |
| Employee benefits         | 35,000                      | -   | 35,000   | 24,016   | 10,984  |
| Special highway           | 58,840                      | -   | 58,840   | 2,926  | 55,914  |
| Bond and interest fund:   |                             |   |  |  |   |
| Bond and interest         | 63,050                      | -   | 63,050   | 52,125   | 10,925  |
| Business funds:           |                             |   |  |  |   |
| Water utility             | 283,892                     | -   | 283,892  | 178,660  | 105,232   |
| Sewer utility             | 109,300                     | -   | 109,300  | 70,528   | 38,772  |
| Trash utility             | 66,000                      | -   | 66,000   | 45,863   | 20,137  |
|                           | <u>\$ 1,107,772</u>         | <u>\$ -</u>   | <u>\$ 1,107,772</u>                            | <u>\$ 834,859</u>  | <u>\$ 272,913</u>                               |

See Independent Auditor's Report.



## CITY OF MINNEOLA, KANSAS

## GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |            | 2020       |            | Variance                   |
|--------------------------------------|------------|------------|------------|----------------------------|
|                                      | 2019       | Actual     | Budget     | favorable<br>(unfavorable) |
| Receipts:                            |            |            |            |                            |
| Taxes and shared revenue:            |            |            |            |                            |
| Ad valorem property tax              | \$ 85,129  | \$ 79,829  | \$ 80,276  | \$ (447)                   |
| Delinquent tax                       | 3,523      | 4,104      | 500        | 3,604                      |
| Motor vehicle tax                    | 24,114     | 22,579     | 22,299     | 280                        |
| Recreational vehicle tax             | 279        | 347        | 183        | 164                        |
| 16/20M truck tax                     | 7          | 10         | 6          | 4                          |
| Special assessments                  | 6,250      | 750        | -          | 750                        |
| Intangibles tax                      | 2,761      | 3,246      | 1,567      | 1,679                      |
| State and federal aid                | 1,388      | 15,845     | -          | 15,845                     |
| Local sales tax                      | 66,081     | 83,313     | 45,000     | 38,313                     |
| Franchise tax                        | 38,949     | 37,833     | 40,000     | (2,167)                    |
| Amounts from Clark County            | 3,000      | 3,785      | 33,000     | (29,215)                   |
| Windfarm donations                   | 103,123    | 105,185    | 105,185    | -                          |
| Licenses, permits and fees:          |            |            |            |                            |
| Licenses and permits                 | 1,625      | 475        | 1,000      | (525)                      |
| Animal control                       | 116        | 168        | -          | 168                        |
| Fines, forfeitures and penalties     | 11,400     | 2,936      | 10,000     | (7,064)                    |
| Charges for services                 | 18,461     | 15,574     | 15,000     | 574                        |
| Interest                             | 1,753      | 866        | 1,000      | (134)                      |
| Miscellaneous                        | 15,222     | 21,879     | 10,000     | 11,879                     |
| Donations                            | 10,000     | -          | -          | -                          |
| Neighborhood revitalization          | (1,814)    | (1,095)    | (2,459)    | 1,364                      |
| Total receipts                       | 391,367    | 397,629    | \$ 362,557 | \$ 35,072                  |
| Expenditures:                        |            |            |            |                            |
| General government:                  |            |            |            |                            |
| Personal services                    | 46,007     | 50,288     | \$ 60,000  | \$ 9,712                   |
| Contractual services                 | 94,337     | 79,837     | 80,000     | 163                        |
| Commodities                          | 7,521      | 21,676     | 16,000     | (5,676)                    |
| Capital outlay                       | -          | -          | 5,780      | 5,780                      |
| Public safety:                       |            |            |            |                            |
| Law enforcement                      | 3,600      | 2,700      | 3,600      | 900                        |
| Fire department                      | 4,446      | 5,545      | 10,000     | 4,455                      |
| Police department:                   |            |            |            |                            |
| Personal services                    | 48,963     | 41,187     | 46,000     | 4,813                      |
| Capital outlay                       | 6,047      | 5,648      | 6,000      | 352                        |
| Public works:                        |            |            |            |                            |
| Commodities                          | -          | 1,708      | -          | (1,708)                    |
| Capital outlay                       | -          | 7,608      | -          | (7,608)                    |
| Municipal court:                     |            |            |            |                            |
| Personal services                    | 2,026      | 1,800      | 4,000      | 2,200                      |
| Contractual services                 | 7,497      | 7,333      | 16,000     | 8,667                      |
| Culture and recreation:              |            |            |            |                            |
| Personal services                    | 34,762     | 48,645     | 40,000     | (8,645)                    |
| Contractual services                 | 21,271     | 18,641     | 25,000     | 6,359                      |
| Commodities                          | 5,098      | 11,135     | 10,000     | (1,135)                    |
| Capital outlay                       | 20,191     | 11,025     | 7,500      | (3,525)                    |
| Operating transfers out              | 118,123    | 121,155    | 137,000    | 15,845                     |
| Total expenditures                   | 419,889    | 435,931    | \$ 466,880 | \$ 30,949                  |
| Receipts over (under) expenditures   | (28,522)   | (38,302)   |            |                            |
| Unencumbered cash, beginning of year | 182,980    | 154,458    | \$ 104,323 | \$ 50,135                  |
| Unencumbered cash, end of year       | \$ 154,458 | \$ 116,156 |            |                            |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |                 | 2020            |                  | Variance                   |
|--------------------------------------|-----------------|-----------------|------------------|----------------------------|
|                                      | 2019            | Actual          | Budget           | favorable<br>(unfavorable) |
| Receipts:                            |                 |                 |                  |                            |
| Taxes and shared revenue:            |                 |                 |                  |                            |
| Ad valorem property tax              | \$ 15,872       | \$ 15,988       | \$ 16,079        | \$ (91)                    |
| Delinquent tax                       | 677             | 756             | -                | 756                        |
| Motor vehicle tax                    | 3,996           | 4,094           | 4,158            | (64)                       |
| Recreational vehicle tax             | 46              | 65              | 34               | 31                         |
| 16/20M truck tax                     | 1               | 2               | 1                | 1                          |
| Neighborhood revitalization          | (338)           | (219)           | (492)            | 273                        |
| Total receipts                       | 20,254          | 20,686          | <u>\$ 19,780</u> | <u>\$ 906</u>              |
| Expenditures:                        |                 |                 |                  |                            |
| Transfer to related municipal entity | 20,900          | 22,410          | <u>\$ 22,410</u> | <u>\$ -</u>                |
| Receipts over (under) expenditures   | (646)           | (1,724)         |                  |                            |
| Unencumbered cash, beginning of year | 4,199           | 3,553           | <u>\$ 2,630</u>  | <u>\$ 923</u>              |
| Unencumbered cash, end of year       | <u>\$ 3,553</u> | <u>\$ 1,829</u> |                  |                            |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## LIBRARY EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |               | 2020          |                 | Variance                   |
|--------------------------------------|---------------|---------------|-----------------|----------------------------|
|                                      | 2019          | Actual        | Budget          | favorable<br>(unfavorable) |
| Receipts:                            |               |               |                 |                            |
| Taxes and shared revenue:            |               |               |                 |                            |
| Ad valorem property tax              | \$ 1,655      | \$ 1,724      | \$ 1,731        | \$ (7)                     |
| Delinquent tax                       | 74            | 82            | -               | 82                         |
| Motor vehicle tax                    | 449           | 433           | 434             | (1)                        |
| Recreational vehicle tax             | 5             | 7             | 4               | 3                          |
| Neighborhood revitalization          | (35)          | (24)          | (53)            | 29                         |
| Total receipts                       | 2,148         | 2,222         | <u>\$ 2,116</u> | <u>\$ 106</u>              |
| Expenditures:                        |               |               |                 |                            |
| Transfer to related municipal entity | 2,200         | 2,400         | <u>\$ 2,400</u> | <u>\$ -</u>                |
| Receipts over (under) expenditures   | (52)          | (178)         |                 |                            |
| Unencumbered cash, beginning of year | 440           | 388           | <u>\$ 284</u>   | <u>\$ 104</u>              |
| Unencumbered cash, end of year       | <u>\$ 388</u> | <u>\$ 210</u> |                 |                            |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |                 | 2020             |                  | Variance                   |
|--------------------------------------|-----------------|------------------|------------------|----------------------------|
|                                      | 2019            | Actual           | Budget           | favorable<br>(unfavorable) |
| Receipts:                            |                 |                  |                  |                            |
| Taxes and shared revenue:            |                 |                  |                  |                            |
| Ad valorem property tax              | \$ 20,807       | \$ 26,360        | \$ 26,521        | \$ (161)                   |
| Delinquent tax                       | 532             | 842              | -                | 842                        |
| Motor vehicle tax                    | 3,096           | 4,888            | 5,456            | (568)                      |
| Recreational vehicle tax             | 34              | 85               | 45               | 40                         |
| 16/20M truck tax                     | 1               | 1                | 2                | (1)                        |
| Miscellaneous                        | -               | 359              | -                | 359                        |
| Neighborhood revitalization          | (444)           | (362)            | (783)            | 421                        |
| Total receipts                       | 24,026          | 32,173           | <u>\$ 31,241</u> | <u>\$ 932</u>              |
| Expenditures:                        |                 |                  |                  |                            |
| General government:                  |                 |                  |                  |                            |
| Contractual services                 | 23,441          | 24,016           | <u>\$ 35,000</u> | <u>\$ 10,984</u>           |
| Receipts over (under) expenditures   | 585             | 8,157            |                  |                            |
| Unencumbered cash, beginning of year | 8,505           | 9,090            | <u>\$ 3,759</u>  | <u>\$ 5,331</u>            |
| Unencumbered cash, end of year       | <u>\$ 9,090</u> | <u>\$ 17,247</u> |                  |                            |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |           | 2020      |           | Variance                   |
|--------------------------------------|-----------|-----------|-----------|----------------------------|
|                                      | 2019      | Actual    | Budget    | favorable<br>(unfavorable) |
| Receipts:                            |           |           |           |                            |
| State of Kansas gas tax              | \$ 18,708 | \$ 17,733 | \$ 18,600 | \$ (867)                   |
| Operating transfer in                | 12,989    | -         | 32,000    | (32,000)                   |
| Total receipts                       | 31,697    | 17,733    | \$ 50,600 | \$ (32,867)                |
| Expenditures:                        |           |           |           |                            |
| Public works:                        |           |           |           |                            |
| Personal services                    | 5,615     | -         | \$ 7,500  | \$ 7,500                   |
| Contractual services                 | 2,500     | -         | 2,000     | 2,000                      |
| Commodities                          | 26,035    | 2,926     | 49,340    | 46,414                     |
| Total expenditures                   | 34,150    | 2,926     | \$ 58,840 | \$ 55,914                  |
| Receipts over (under) expenditures   | (2,453)   | 14,807    |           |                            |
| Unencumbered cash, beginning of year | 7,160     | 4,707     | \$ 8,240  | \$ (3,533)                 |
| Unencumbered cash, end of year       | \$ 4,707  | \$ 19,514 |           |                            |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      | <u>2019</u>             | <u>2020</u>             |
|--------------------------------------|-------------------------|-------------------------|
| Receipts:                            |                         |                         |
| Operating transfers in               | <u>\$ 52,134</u>        | <u>\$ 39,083</u>        |
| Expenditures:                        |                         |                         |
| Debt service:                        |                         |                         |
| Principal                            | 35,542                  | 46,090                  |
| Interest                             | 3,541                   | 2,443                   |
| Capital outlay                       | <u>4,463</u>            | <u>11,025</u>           |
| Total expenditures                   | <u>43,546</u>           | <u>59,558</u>           |
| Receipts over (under) expenditures   | 8,588                   | (20,475)                |
| Unencumbered cash, beginning of year | <u>47,400</u>           | <u>55,988</u>           |
| Unencumbered cash, end of year       | <u><u>\$ 55,988</u></u> | <u><u>\$ 35,513</u></u> |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## CAPITAL IMPROVEMENTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      | <u>2019</u>      | <u>2020</u>      |
|--------------------------------------|------------------|------------------|
| Receipts:                            |                  |                  |
| Operating transfers in               | \$ 53,000        | \$ 82,072        |
| Expenditures:                        |                  |                  |
| Capital outlay                       | <u>164,185</u>   | <u>9,505</u>     |
| Receipts over (under) expenditures   | (111,185)        | 72,567           |
| Unencumbered cash, beginning of year | <u>133,130</u>   | <u>21,945</u>    |
| Unencumbered cash, end of year       | <u>\$ 21,945</u> | <u>\$ 94,512</u> |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |                  | 2020            |                  | Variance                   |
|--------------------------------------|------------------|-----------------|------------------|----------------------------|
|                                      | 2019             | Actual          | Budget           | favorable<br>(unfavorable) |
| Receipts:                            |                  |                 |                  |                            |
| Taxes and shared revenue:            |                  |                 |                  |                            |
| Ad valorem property tax              | \$ 8,360         | \$ 8,378        | \$ 8,424         | \$ (46)                    |
| Delinquent tax                       | 690              | 520             | -                | 520                        |
| Motor vehicle tax                    | 2,430            | 2,191           | 2,191            | -                          |
| Recreational vehicle tax             | 26               | 34              | 18               | 16                         |
| 16/20M truck tax                     | 1                | 1               | 1                | -                          |
| Operating transfers in               | 30,000           | 30,000          | 30,000           | -                          |
| Neighborhood revitalization          | (178)            | (115)           | (256)            | 141                        |
| Total receipts                       | <u>41,329</u>    | <u>41,009</u>   | <u>\$ 40,378</u> | <u>\$ 631</u>              |
| Expenditures:                        |                  |                 |                  |                            |
| Debt service:                        |                  |                 |                  |                            |
| Principal                            | 50,000           | 50,000          | \$ 60,000        | \$ 10,000                  |
| Interest                             | 4,250            | 2,125           | 2,550            | 425                        |
| Fees and commission                  | -                | -               | 500              | 500                        |
| Total expenditures                   | <u>54,250</u>    | <u>52,125</u>   | <u>\$ 63,050</u> | <u>\$ 10,925</u>           |
| Receipts over (under) expenditures   | (12,921)         | (11,116)        |                  |                            |
| Unencumbered cash, beginning of year | <u>26,589</u>    | <u>13,668</u>   | <u>\$ 22,672</u> | <u>\$ (9,004)</u>          |
| Unencumbered cash, end of year       | <u>\$ 13,668</u> | <u>\$ 2,552</u> |                  |                            |

See Independent Auditor's Report.



## CITY OF MINNEOLA, KANSAS

## WATER LINE PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      | <u>2019</u>                | <u>2020</u>                |
|--------------------------------------|----------------------------|----------------------------|
| Receipts:                            |                            |                            |
| Interest                             | \$ 1,031                   | \$ 3,604                   |
| Debt proceeds                        | <u>2,655,000</u>           | <u>-</u>                   |
| Total receipts                       | <u>2,656,031</u>           | <u>3,604</u>               |
| Expenditures:                        |                            |                            |
| Public works:                        |                            |                            |
| Contractual services                 | 98,050                     | 131,270                    |
| Capital outlay                       | -                          | 4,072                      |
| Debt service:                        |                            |                            |
| Bond principal                       | 511,600                    | -                          |
| Bond interest                        | -                          | 50,888                     |
| Debt issuance costs                  | <u>46,647</u>              | <u>750</u>                 |
| Total expenditures                   | <u>656,297</u>             | <u>186,980</u>             |
| Receipts over (under) expenditures   | 1,999,734                  | (183,376)                  |
| Unencumbered cash, beginning of year | <u>-</u>                   | <u>1,999,734</u>           |
| Unencumbered cash, end of year       | <u><u>\$ 1,999,734</u></u> | <u><u>\$ 1,816,358</u></u> |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## CCLIP GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|  | <u>2019</u>        | <u>2020</u>               |
|--|--------------------|---------------------------|
| Receipts                                 | \$ -               | \$ -                      |
| Expenditures:                            |                    |                           |
| Public works:                            |                    |                           |
| Capital outlay                           | <u>-</u>           | <u>25,877</u>             |
| Receipts over (under) expenditures       | -                  | (25,877)                  |
| Unencumbered cash, beginning of year     | <u>-</u>           | <u>-</u>                  |
| Unencumbered cash (deficit), end of year | <u><u>\$ -</u></u> | <u><u>\$ (25,877)</u></u> |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |            | 2020       |            | Variance                   |
|--------------------------------------|------------|------------|------------|----------------------------|
|                                      | 2019       | Actual     | Budget     | favorable<br>(unfavorable) |
| Receipts:                            |            |            |            |                            |
| Charges for services                 | \$ 220,380 | \$ 256,628 | \$ 230,000 | \$ 26,628                  |
| Miscellaneous                        | 4,821      | 20,933     | 5,000      | 15,933                     |
| Total receipts                       | 225,201    | 277,561    | \$ 235,000 | \$ 42,561                  |
| Expenditures:                        |            |            |            |                            |
| Public works:                        |            |            |            |                            |
| Personal services                    | 57,857     | 55,524     | \$ 63,000  | \$ 7,476                   |
| Contractual services                 | 55,200     | 51,972     | 65,000     | 13,028                     |
| Commodities                          | 5,693      | 4,514      | 20,000     | 15,486                     |
| Capital outlay                       | 600        | 600        | 62,000     | 61,400                     |
| Debt service:                        |            |            |            |                            |
| Principal                            | 31,630     | 32,312     | 32,317     | 5                          |
| Interest and fees                    | 12,262     | 3,738      | 11,575     | 7,837                      |
| Operating transfers out              | 30,000     | 30,000     | 30,000     | -                          |
| Total expenditures                   | 193,242    | 178,660    | \$ 283,892 | \$ 105,232                 |
| Receipts over (under) expenditures   | 31,959     | 98,901     |            |                            |
| Unencumbered cash, beginning of year | 48,590     | 80,549     | \$ 49,699  | \$ 30,850                  |
| Unencumbered cash, end of year       | \$ 80,549  | \$ 179,450 | \$ 807     | \$ 178,643                 |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## SEWER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |           | 2020      |            | Variance                   |
|--------------------------------------|-----------|-----------|------------|----------------------------|
|                                      | 2019      | Actual    | Budget     | favorable<br>(unfavorable) |
| Receipts:                            |           |           |            |                            |
| Charges for services                 | \$ 79,100 | \$ 81,247 | \$ 80,000  | \$ 1,247                   |
| Miscellaneous                        | -         | -         | 1,000      | (1,000)                    |
| Total receipts                       | 79,100    | 81,247    | \$ 81,000  | \$ 247                     |
| Expenditures:                        |           |           |            |                            |
| Public works:                        |           |           |            |                            |
| Personal services                    | 43,516    | 44,544    | \$ 46,300  | \$ 1,756                   |
| Contractual services                 | 21,062    | 18,353    | 30,000     | 11,647                     |
| Commodities                          | 4,870     | 7,631     | 13,000     | 5,369                      |
| Capital outlay                       | -         | -         | 20,000     | 20,000                     |
| Total expenditures                   | 69,448    | 70,528    | \$ 109,300 | \$ 38,772                  |
| Receipts over (under) expenditures   | 9,652     | 10,719    |            |                            |
| Unencumbered cash, beginning of year | 26,761    | 36,413    | \$ 28,661  | \$ 7,752                   |
| Unencumbered cash, end of year       | \$ 36,413 | \$ 47,132 | \$ 361     | \$ 46,771                  |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

## TRASH UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      |           | 2020      |           | Variance                   |
|--------------------------------------|-----------|-----------|-----------|----------------------------|
|                                      | 2019      | Actual    | Budget    | favorable<br>(unfavorable) |
| Receipts:                            |           |           |           |                            |
| Charges for services                 | \$ 47,737 | \$ 47,769 | \$ 52,000 | \$ (4,231)                 |
| Expenditures:                        |           |           |           |                            |
| Public works:                        |           |           |           |                            |
| Contractual services                 | 44,243    | 45,863    | \$ 56,000 | \$ 10,137                  |
| Operating transfers out              | -         | -         | 10,000    | 10,000                     |
| Total expenditures                   | 44,243    | 45,863    | \$ 66,000 | \$ 20,137                  |
| Receipts over (under) expenditures   | 3,494     | 1,906     |           |                            |
| Unencumbered cash, beginning of year | 8,549     | 12,043    | \$ 14,549 | \$ (2,506)                 |
| Unencumbered cash, end of year       | \$ 12,043 | \$ 13,949 | \$ 549    | \$ 13,400                  |

See Independent Auditor's Report.

## CITY OF MINNEOLA, KANSAS

MINNEOLA CITY LIBRARY  
(RELATED MUNICIPAL ENTITY)SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASISFor the Year Ended December 31, 2020  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

|                                      | 2019             | 2020             |
|--------------------------------------|------------------|------------------|
| Receipts:                            |                  |                  |
| Transfers from City:                 |                  |                  |
| General                              | \$ 20,900        | \$ 22,410        |
| Employee benefits                    | 2,200            | 2,400            |
| County appropriation                 | 30,931           | 10,533           |
| State aid                            | 2,844            | 2,367            |
| SWKLS grants                         | 6,580            | 6,260            |
| Memorials                            | 380              | -                |
| Other income                         | 5,873            | 3,003            |
| Interest on investments              | 169              | 128              |
| Summer reading                       | 1,150            | 1,150            |
|                                      | <u>71,027</u>    | <u>48,251</u>    |
| Total receipts                       |                  |                  |
| Expenditures:                        |                  |                  |
| Culture and recreation:              |                  |                  |
| Materials                            | 5,102            | 5,048            |
| Operations                           | 18,704           | 3,591            |
| Personnel                            | 22,009           | 20,095           |
| Technology                           | 5,514            | 3,604            |
| Courier service                      | 300              | 300              |
|                                      | <u>51,629</u>    | <u>32,638</u>    |
| Total expenditures                   |                  |                  |
| Receipts over (under) expenditures   | 19,398           | 15,613           |
| Unencumbered cash, beginning of year | 64,384           | 83,782           |
|                                      | <u>\$ 83,782</u> | <u>\$ 99,395</u> |
| Unencumbered cash, end of year       |                  |                  |

See Independent Auditor's Report.