

CITY OF RICHMOND

Richmond, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2020

CITY OF RICHMOND

TABLE OF CONTENTS Year ended December 31, 2020

	<u>Statements</u>	<u>Page</u>
Independent Auditor's Report		1
Financial Statement		
Summary Statement of Receipts, Expenditures and Unencumbered Cash	1	3
Notes to Financial Statement		5
Regulatory Basis Supplementary Information	<u>Schedule</u>	
Summary of Expenditures – Actual and Budget	1	12
Schedule of Receipts and Expenditures		
General - Actual & Budget	2a	14
Library - Actual & Budget	2b	16
Parks & Recreation - Actual & Budget	2c	17
Special Highway - Actual & Budget	2d	18
Fishing - Actual & Budget	2e	19
Capital Improvement - Actual	2f	20
Water - Actual & Budget	2g	21
Sewer - Actual & Budget	2h	22
Agency Fund	3	23

INDEPENDENT AUDITOR'S REPORT

City Council
City of Richmond
Richmond, Kansas

Report on the Financial Statement

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

Management's Responsibility for the Financial Statements

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 C; 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 controls. 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 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 C of the financial statement, the financial statement is prepared by the City of Richmond, Kansas 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 C 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 of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Richmond, Kansas 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 of Richmond, Kansas 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 C.

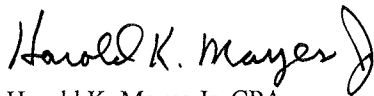
Other Matters

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 balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 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 C.

Prior Year Comparative

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City of Richmond as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated June 16, 2020, which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statements and accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/oar/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2020 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 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 statements 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 C.



Harold K. Mayes Jr. CPA
Aglar & Gaeddert, Chartered
Ottawa, Ks
November 29, 2021

City of Richmond, Kansas

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

For the Year Ended December 31, 2020

Fund	Unencumbered Cash Balance Beginning of Year	Prior Year Cancelled Encumbrances	Cash Receipts
Governmental Fund Types			
General	\$ 316,993	\$ 0	\$ 308,303
Special Purpose Funds			
Library	718	0	16,369
Parks and recreation	4,586	0	8,260
Special highway	28,978	0	11,891
Fishing	(2,409)	0	1,313
Capital Improvement	96,734	0	0
Business Funds			
Water system operating account	54,979	0	143,653
Sewer system operating account	89,892	0	45,173
Total Reporting Entity	\$ 590,471	\$ 0	\$ 534,962

Composition of Cash:

The accompanying notes are an integral part of this statement.

Statement 1

<u>Expenditures</u>	<u>Unencumbered Cash Balance End of Year</u>	<u>Outstanding Accounts Payable and Encumbrances</u>	<u>Cash Balance End of Year</u>
\$ 245,410	\$ 379,886	\$ 1,552	\$ 381,438
15,984	1,103	0	1,103
9,230	3,616	0	3,616
2,266	38,603	0	38,603
(1,096)	0	0	0
0	96,734	0	96,734
95,453	103,179	504	103,683
24,647	110,418	305	110,723
<u>\$ 391,894</u>	<u>\$ 733,539</u>	<u>\$ 2,361</u>	<u>\$ 735,900</u>

Bank accounts:

City \$ 770,926

Total reporting entity 770,926

Less agency funds (35,026)

\$ 735,900

The accompanying notes are an integral part of this statement.

CITY OF RICHMOND

NOTES TO FINANCIAL STATEMENT

December 31, 2020

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Richmond is incorporated under the laws of the State of Kansas and operates under an elected Mayor-Council form of government. This financial statement presents the City of Richmond (the municipality). The Library is a related municipal entity but it is not presented in the report. The Library provides library services to the area. The Library board is appointed by the City. The City appropriates and distributes tax monies to the Library.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. 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 City potential could have the following types of funds.

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

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

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments 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 part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality reporting entity scholarship funds, etc.). The City did not have any trust funds for the year presented.

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

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The 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 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 obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

City of Richmond has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

CITY OF RICHMOND

NOTES TO FINANCIAL STATEMENT

December 31, 2020

NOTE D. BUDGETARY INFORMATION

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

1. Preparation of 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. 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.

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board. The following funds are not required to have a published budget.

Capital Improvement

NOTE E. DEPOSITS AND INVESTMENTS

City

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 bank to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

CITY OF RICHMOND

NOTES TO FINANCIAL STATEMENT

December 31, 2020

NOTE E. DEPOSITS AND INVESTMENTS – continued

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

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

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, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at December 31, 2020.

At December 31, 2020, the carrying amount of the City's bank deposits was \$770,926 and the bank balance was \$780,634. The bank balance was held by one bank resulting in a concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$250,000 was covered by federal depository insurance coverage and \$530,634 was covered by pledged securities.

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 be adequately secured. The City had no such investments at year end.

NOTE F. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>Transfer from:</u>	<u>Transfer to:</u>	<u>Statutory Authority</u>	<u>Amount</u>
No transfers in 2020			\$ -

NOTE G. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

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 retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (CORBA), 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 Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2020.

Compensated Absences: Employees of the City are entitled to paid vacation and paid sick days off, depending on job classification, length of service and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The City's policy is to recognize the costs of compensated absences when actually paid to employees.

CITY OF RICHMOND

NOTES TO FINANCIAL STATEMENT

December 31, 2020

NOTE H. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically 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 or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions - KSA 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015 Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and 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 \$6,927 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 to KPERS was \$71,565. 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 accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE I. 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; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

CITY OF RICHMOND

NOTES TO FINANCIAL STATEMENT

December 31, 2020

NOTE J. OTHER INFORMATION

Ad Valorem Tax Revenue: The determination of assessed valuation and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's office annually determines assessed valuation and the County Clerk spreads the annual assessment to the taxing units. One-half of the property taxes are due December 20 and distributed to the City by January 20 to finance a portion of the current year's budget. The second half is due May 20 and distributed to the City by June 5. The City draws available funds from the County Treasurer's office at designated times throughout the year.

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as receipts in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality. There were no statute violations for the year.

NOTE J. LONG-TERM DEBT

During 2016, the City issued general obligation bonds pursuant to K.S.A. 65-163u and K.S.A. 10-101 *et seq.* The total amount of the bonds issued during 2016 was \$742,000 at an interest rate of 2.625% with a final maturity date of 12/17/2055.

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General obligation bonds:				
Series 2015	2.625%	12/17/2015	742,000	12/17/2055

	Balance Beginning of Year	Additions	Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds:						
Series 2015	\$ 697,458	\$ 0	\$ 11,876	\$ (11,876)	\$ 685,582	\$ 18,308

CITY OF RICHMOND

NOTES TO FINANCIAL STATEMENT

December 31, 2020

NOTE J. LONG-TERM DEBT – continued

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

Principal:	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General obligation bonds	\$ 12,188	\$ 12,507	\$ 12,836	\$ 13,173	\$ 13,518
Interest:					
General obligation bonds	<u>17,996</u>	<u>17,677</u>	<u>17,348</u>	<u>17,011</u>	<u>16,666</u>
Total principal and interest	<u>\$ 30,184</u>	<u>\$ 30,184</u>	<u>\$ 30,184</u>	<u>\$ 30,184</u>	<u>\$ 30,184</u>
Principal:	<u>2026-2030</u>	<u>2031-2035</u>	<u>2036-2040</u>	<u>2041-2045</u>	<u>2046-2050</u>
General obligation bonds	\$ 73,106	\$ 83,218	\$ 94,729	\$ 107,832	\$ 122,748
Interest:					
General obligation bonds	<u>77,815</u>	<u>67,703</u>	<u>56,192</u>	<u>43,088</u>	<u>28,173</u>
Total principal and interest	<u>\$ 150,921</u>	<u>\$ 150,921</u>	<u>\$ 150,921</u>	<u>\$ 150,920</u>	<u>\$ 150,921</u>
Principal:	<u>2051-2055</u>	<u>Total</u>			
General obligation bonds	\$ 139,727	\$ 685,582			
Interest:					
General obligation bonds	<u>11,194</u>	<u>370,863</u>			
Total principal and interest	<u>\$ 150,921</u>	<u>\$ 1,056,445</u>			

NOTE K. 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 results of operations. Management 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 2020. Future potential impacts may include decrease in certain revenues, etc. and disruptions or restrictions on the City’s ability to operate under its current mission and operating model.

NOTE K. SUBSEQUENT EVENTS

Subsequent Events: The City evaluated subsequent events through November 29, 2021 the date the financial statements were available to be issued. No subsequent events were identified which require disclosure.

**REGULATORY BASIS
SUPPLEMENTARY INFORMATION**

City of Richmond, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
(Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2020

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>
Governmental Type Funds		
General	\$ 524,326 \$	0
Special Purpose Funds		
Library	16,077	0
Parks and recreation	11,854	0
Special highway	87,522	0
Fishing	1,300	0
Business Funds		
Water system operating account	141,958	0
Sewer system operating account	131,012	0

See Independent Auditor's Report.

Schedule 1

	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
\$	524,326	\$ 245,410	\$ (278,916)
	16,077	15,984	(93)
	11,854	9,230	(2,624)
	87,522	2,266	(85,256)
	1,300	(1,096)	(2,396)
	141,958	95,453	(46,505)
	131,012	24,647	(106,365)

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2a

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)

		<u>2020</u>		Variance Over (Under)
	<u>2019 Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes				
Ad valorem property tax	\$ 107,766	\$ 111,876	\$ 120,229	\$ (8,353)
Delinquent taxes	9,314	11,266	2,500	8,766
Vehicle tax	14,838	17,152	15,217	1,935
RV tax	201	266	133	133
16/20M Vehicle Tax	40	55	38	17
Commercial vehicle	1,686	2,034	1,730	304
Watercraft tax	49	35	0	35
Sales and use tax	78,590	89,152	88,055	1,097
Franchise tax	24,365	24,959	28,900	(3,941)
Dog/cat licenses	90	430	0	430
Building permits	176	679	2,500	(1,821)
Fines and fees	0	155	500	(345)
Trash	24,022	26,126	25,000	1,126
Interest	348	372	325	47
Miscellaneous	4,816	23,366	0	23,366
Other	0	130	5,000	(4,870)
Reimbursements	0	250	0	250
Total receipts	<u>266,301</u>	<u>308,303</u>	<u>\$ 290,127</u>	<u>\$ 18,176</u>
Expenditures				
General Government				
Personal Services	79,009	80,004	\$ 86,000	\$ (5,996)
Health Insurance	9,352	11,388	11,225	163
Contractual Services	93,842	51,681	145,000	(93,319)
Insurance	29,234	30,380	29,000	1,380
Materials and supplies	8,483	23,639	10,000	13,639
Cash forward Capital Outlay	0	0	162,442	(162,442)
Machinery and equipment	0	626	0	626
Reimbursements	0	852	0	852
Remittances	75	25	0	25
Total general expenditures	<u>219,995</u>	<u>198,595</u>	<u>443,667</u>	<u>(245,072)</u>
Street Lights				
Contractual	<u>15,989</u>	<u>22,092</u>	<u>17,000</u>	<u>5,092</u>
Trash				
Contractual services	<u>22,871</u>	<u>22,862</u>	<u>26,000</u>	<u>(3,138)</u>
Fishing				
Contractual services	<u>0</u>	<u>1,861</u>	<u>0</u>	<u>1,861</u>

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2a

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	Over
	Actual			(Under)
Expenditures - continued				
Transfers Out	\$ 0	\$ 0	\$ 37,659	\$ (37,659)
Total expenditures	258,855	245,410	<u>524,326</u>	<u>(278,916)</u>
Receipts over (under) expenditures	7,446	62,893		
Unencumbered Cash, beginning of year	309,222	316,993		
Prior Year Cancelled Encumbrances	<u>325</u>	<u>0</u>		
Unencumbered Cash, end of year	\$ <u>316,993</u>	\$ <u>379,886</u>		

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
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	Over
	Actual			(Under)
Receipts				
Taxes				
Ad valorem property tax	\$ 12,436	\$ 12,795	\$ 13,750	\$ (955)
Delinquent taxes	1,130	1,320	0	1,320
Vehicle taxes	1,670	1,978	1,756	222
16/20M Vehicle Tax	5	6	4	2
RV tax	23	31	15	16
Commercial Vehicle tax	189	235	200	35
Watercraft tax	5	4	0	4
Total receipts	15,458	16,369	\$ 15,725	\$ 644
Expenditures				
Culture and recreation				
Appropriations	15,458	15,984	\$ 16,077	\$ (93)
Total expenditures	15,458	15,984	\$ 16,077	\$ (93)
Receipts over (under) expenditures	0	385		
Unencumbered Cash, beginning of year	718	718		
Unencumbered Cash, end of year	\$ 718	\$ 1,103		

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2c

SPECIAL PURPOSE FUNDS
PARKS AND RECREATION 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)

		<u>2020</u>		
	<u>2019</u>			<u>Variance</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>(Under)</u>
Receipts				
Taxes				
Ad valorem property tax	\$ 6,324	\$ 6,469	\$ 6,952	\$ (483)
Delinquent taxes	523	645	0	645
Vehicle taxes	852	1,006	893	113
16/20M Vehicle Tax	2	3	2	1
RV tax	12	16	8	8
Commercial vehicle tax	96	119	102	17
Watercraft tax	<u>3</u>	<u>2</u>	<u>0</u>	<u>2</u>
Total receipts	<u>7,812</u>	<u>8,260</u>	\$ <u>7,957</u>	\$ <u>303</u>
Expenditures				
Parks and Recreation				
Contractual services	169	847	\$ 0	\$ 847
Materials and supplies	642	317	3,814	(3,497)
Appropriation	<u>7,812</u>	<u>8,066</u>	<u>8,040</u>	<u>26</u>
Total expenditures	<u>8,623</u>	<u>9,230</u>	\$ <u>11,854</u>	\$ <u>(2,624)</u>
Receipts over (under) expenditures	(811)	(970)		
Unencumbered Cash, beginning of year	<u>5,397</u>	<u>4,586</u>		
Unencumbered Cash, end of year	\$ <u>4,586</u>	\$ <u>3,616</u>		

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
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 Over (Under)
	2019 Actual	Actual	Budget	
Receipts				
Intergovernmental				
State funds	\$ 12,585	\$ 11,891	\$ 12,570	\$ (679)
Total receipts	12,585	11,891	<u>12,570</u>	<u>(679)</u>
Expenditures				
Contractual	0	0	\$ 70,000	\$ (70,000)
Materials and supplies	53,999	2,266	17,522	(15,256)
Total expenditures	53,999	2,266	<u>87,522</u>	<u>(85,256)</u>
Receipts over (under) expenditures	(41,414)	9,625		
Unencumbered Cash, beginning of year	70,392	28,978		
Unencumbered Cash, end of year	\$ 28,978	\$ 38,603		

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City of Richmond, Kansas

Schedule 2e

SPECIAL PURPOSE FUNDS

FISHING

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)

	2019 Actual	2020		Variance Over (Under)
		Actual	Budget	
Receipts				
State aid	\$ 1,316	\$ 1,313	\$ 1,300	\$ 13
Total receipts	1,316	1,313	\$ 1,300	\$ 13
Expenditures				
Contractual	2,667	0	\$ 1,300	\$ (1,300)
Materials and supplies	1,649	(1,096)	0	(1,096)
Total expenditures	4,316	(1,096)	\$ 1,300	\$ (2,396)
Receipts over (under) expenditures	(3,000)	2,409		
Unencumbered Cash, beginning of year	591	(2,409)		
Unencumbered Cash, end of year	\$ (2,409)	\$ 0		

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2f

SPECIAL PURPOSE FUNDS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2020
(With comparative actual totals for the prior year ended December 31, 2019)

	2019 Actual	2020 Actual
Receipts		
Transfers in	\$ 0	\$ 0
Total receipts	0	0
Expenditures		
Contractual Services	9,000	0
Total expenditures	9,000	0
Receipts over (under) expenditures	(9,000)	0
Unencumbered Cash, beginning of year	105,734	96,734
Unencumbered Cash, end of year	\$ 96,734	\$ 96,734

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2g

BUSINESS FUNDS
WATER SYSTEM OPERATING ACCOUNT
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	Over
	Actual			(Under)
Receipts				
Charges for services - water	\$ 109,037	\$ 142,187	\$ 96,000	\$ 46,187
Bulk sales	1,742	1,146	2,000	(854)
Reconnection Fee	0	70	500	(430)
Miscellaneous	1,066	250	0	250
Total receipts	111,845	143,653	\$ 98,500	\$ 45,153
Expenditures				
Water				
Personal Services	37,498	36,253	\$ 40,000	\$ (3,747)
Contractual Services	33,849	22,875	25,000	(2,125)
Materials and supplies	1,908	1,238	5,000	(3,762)
Cash forward Capital Outlay	0	0	38,574	(38,574)
Remittances	2,766	4,903	3,200	1,703
Total water expenditures	76,021	65,269	111,774	(46,505)
Debt service				
GO Bond Payments	30,184	30,184	30,184	0
Total expenditures	106,205	95,453	\$ 141,958	\$ (46,505)
Receipts over (under) expenditures	5,640	48,200		
Unencumbered Cash, beginning of year	49,339	54,979		
Unencumbered Cash, end of year	\$ 54,979	\$ 103,179		

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 2h

BUSINESS FUNDS
SEWER SYSTEM OPERATING ACCOUNT
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			Over
	Actual	Actual	Budget	(Under)
Receipts				
Charges for services - sewer	\$ 45,497	\$ 45,173	\$ 46,000	\$ (827)
Miscellaneous - salvage	398	0	0	0
Total receipts	45,895	45,173	\$ 46,000	\$ (827)
Expenditures				
Sewer				
Personal Services	23,133	22,106	\$ 25,000	\$ (2,894)
Health Insurance	0	0	4,000	(4,000)
Contractual Services	11,584	2,175	8,000	(5,825)
Materials and supplies	195	366	2,500	(2,134)
Cash forward Capital Outlay	0	0	91,512	(91,512)
Total expenditures	34,912	24,647	\$ 131,012	\$ (106,365)
Receipts over (under) expenditures	10,983	20,526		
Unencumbered Cash, beginning of year	78,909	89,892		
Unencumbered Cash, end of year	\$ 89,892	\$ 110,418		

See Independent Auditor's Report.

City of Richmond, Kansas

Schedule 3

AGENCY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the Year Ended December 31, 2020

	<u>Balance Beginning of Year</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Add Back Encumbrances</u>	<u>Balance End of Year</u>
Payroll clearing	\$ 3,111	\$ 134,777	\$ 131,919	\$ 0	\$ 5,969
Sales tax clearing	375	1,249	1,624	0	0
Penalty clearing	16,129	4,021	0	0	20,150
Deposit clearing acct.	<u>5,347</u>	<u>10,976</u>	<u>7,416</u>	<u>0</u>	<u>8,907</u>
Total	\$ <u>24,962</u>	\$ <u>151,023</u>	\$ <u>140,959</u>	\$ <u>0</u>	\$ <u>35,026</u>

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