

**CITY OF GORHAM, KANSAS**  
**FINANCIAL STATEMENT AND INDEPENDENT AUDITORS' REPORT**  
**For the Year Ended December 31, 2019**

# **CITY OF GORHAM, KANSAS**

**For the Year Ended December 31, 2019**

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# GUDENKAUF & MALONE, INC.

## Shareholder

Pamela Gudenkauf, CPA

Certified Public Accountants  
639 Main Street, P.O. Box 631  
Russell, Kansas 67665  
(785) 483-6220, Fax (785) 483-6221  
email: accountants@gmbinc.net

## Shareholder

James Malone, CPA

### Independent Auditors' Report

Honorable Mayor and City Council  
City of Gorham, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Gorham, Kansas as of and for the year ended December 31, 2019, and the related notes to the financial statement.

#### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 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.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 of the financial statement, the financial statement is prepared by the City of Gorham, 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 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 City of Gorham, Kansas as of December 31, 2019, or changes in financial position and cash flows thereof for the year then ended.

### *Unmodified Opinion on Regulatory Basis of Accounting*

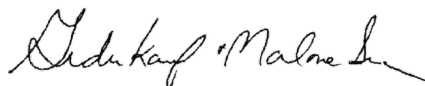
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Gorham, Kansas as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 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 balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the 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 City of Gorham, Kansas as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated November 4, 2019, which contained an unmodified opinion on the basis financial statement. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/oar/municipal-services/municipal-audits>. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2019 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the 2018 basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note A.



Gudenkauf & Malone, Inc.  
September 28, 2020

**CITY OF GORHAM, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
**Regulatory Basis**  
**For the Year Ended December 31, 2019**

						<b>Statement 1</b>
<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add: Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
GENERAL FUND	\$ 32,489	\$ 183,458	\$ 165,737	\$ 50,210	\$ 16,601	\$ 66,811
SPECIAL PURPOSE FUNDS						
Special Highway Fund	13,894	9,313	2,543	20,664	-	20,664
Gifts & Grants Fund	2,940	-	-	2,940	-	2,940
Total Special Purpose Funds	16,834	9,313	2,543	23,604	-	23,604
BOND AND INTEREST FUND						
Bond and Interest Fund	199	14,309	11,965	2,543	-	2,543
BUSINESS FUNDS						
Sewer Fund	71,805	30,405	70,747	31,463	29,183	60,646
Water Fund	77,493	112,470	98,760	91,203	7,014	98,217
Solid Waste Fund	2,771	36,511	38,849	433	3,040	3,473
Total Business Funds	152,069	179,386	208,356	123,099	39,237	162,336
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 201,591</u>	<u>\$ 386,466</u>	<u>\$ 388,601</u>	<u>\$ 199,456</u>	<u>\$ 55,838</u>	<u>\$ 255,294</u>
Composition of Cash:						
				Cash in Bank, Gorham State Bank		\$ 114,994
				Cash on Hand		300
				Certificates of Deposit		140,000
				Total Reporting Entity		<u>\$ 255,294</u>

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

City of Gorham, Kansas

Notes to Financial Statement

Year Ended December 31, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Municipal Financial Reporting Entity***

The City of Gorham, located in Russell County, Kansas, is a municipal corporation governed by an elected six-member council. The City of Gorham provides the following services: general government administration, water, sewer, and refuse services.

The regulatory financial statement presents the City of Gorham, Kansas (the municipality) and does not include any Related Municipal Entities.

***Basis of Accounting***

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The *Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at 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.

***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, 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 of the goods or services (i.e. enterprise and internal service fund 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 municipal reporting entity, scholarship funds, etc.).

City of Gorham, Kansas

Notes to Financial Statement

Year Ended December 31, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

***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 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.

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose fund:

Gifts & Grants Fund

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

***Reimbursements***

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

City of Gorham, Kansas

Notes to Financial Statement

Year Ended December 31, 2019

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

***Property Tax***

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuations based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on property on November 1 of each year. The taxes are due one-half on December 20<sup>th</sup> and one-half the following May 10<sup>th</sup>. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current operation of the City and therefore are not susceptible to accrual.

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statement taken as a whole.

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

***Compliance with Kansas Statutes***

K.S.A. 10-130 Requires each municipality to remit payment of bonds at least 20 days before the maturity date. The City's bond payment was made 14 days before the maturity date.

K.S.A. 75-4302a requires each council member to file a substantial interest disclosure with the County. As of December 31, 2019 two council members had not filed these disclosures.

The City is not aware of any additional statutory violations.

NOTE 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 have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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



City of Gorham, Kansas

Notes to Financial Statement

Year Ended December 31, 2019

NOTE C – DEPOSITS & INVESTMENTS – CONTINUED

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

*Custodial credit risk - deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2019.

At December 31, 2019 the City's carrying amount of deposits was \$255,294 and the bank balance was \$255,572. The difference between the carrying amount and the bank balance is outstanding checks, deposits in transit, and cash on hand. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, \$5,572 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

*Custodial credit risk-investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE D – INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Sewer	Bond & Interest	KSA 12-825d	\$11,965

NOTE E – CLAIMS AND JUDGMENTS

The City participates in federal, state, and county programs that are fully or partially funded by grant received from other government units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with the grant program regulations, the City may be required to reimburse the grantor government.

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 continues to carry commercial insurance for these potential risks of loss. There have been no significant reductions in insurance coverage. There were no settled claims that exceeded insurance coverage in the past three years.

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

NOTE F – RELATED PARTY TRANSACTIONS

In a governmental entity, related parties include members of the governing body, council members, administrative officials, and immediate families of administrative officials, council members, and members of the governing body. Required disclosures on related party transactions do not include compensation

City of Gorham, Kansas

Notes to Financial Statement

Year Ended December 31, 2019

NOTE F – RELATED PARTY TRANSACTIONS

arrangements, expense allowances and similar items incurred in the ordinary course of operations. The following are not required to be reported, but are presented for information only.

	<u>2019</u>
Midwest Energy Kevin Truan, Council Member Employee	\$15,398
Insurance Planning Neil Unrein, Council Member Spouse is an employee	14,668
Bird's Fencing Amanda Bird, Clerk Spouse is owner	3,000
RB Electric Scott Stoffel, Council Member Owner	746
Woelk & Cole Attorneys at Law Kenneth Cole, City Attorney Partner	21

NOTE G – LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
KDHE Loan	2.58%	10/4/05	\$188,202	9/1/2030	\$122,810	\$0	\$8,854	\$113,956	\$3,112
GO Bonds	3.25%	5/11/15	275,904	5/1/2025	201,904	0	26,000	175,904	6,139
Total Contractual Indebtedness					<u>\$324,714</u>	<u>\$0</u>	<u>\$34,854</u>	<u>\$289,860</u>	<u>\$9,251</u>

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

	Year							Total
PRINCIPAL	2020	2021	2022	2023	2024	2025-2029	2030-2031	
KDHE Loan	\$9,083	\$9,319	\$9,561	\$9,810	10,064	\$54,380	\$11,739	\$113,956
GO Bonds	27,000	28,000	29,000	30,000	31,000	30,904	0	175,904
INTEREST								
KDHE Loan	2,882	2,646	2,404	2,156	1,901	5,447	227	17,663
GO Bonds	<u>5,278</u>	<u>4,384</u>	<u>3,458</u>	<u>2,499</u>	<u>1,508</u>	<u>502</u>	<u>0</u>	<u>17,629</u>
Total Principal & Interest	<u>\$44,243</u>	<u>\$44,349</u>	<u>\$44,423</u>	<u>\$44,465</u>	<u>44,473</u>	<u>\$91,233</u>	<u>\$11,965</u>	<u>\$325,152</u>

City of Gorham, Kansas

Notes to Financial Statement

Year Ended December 31, 2019

NOTE H – OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS / COMMITMENTS

*Compensated Absences*

After an initial ninety day waiting period, full time employees shall earn 4 hours of sick leave for each full month of service. No employee may accrue more than 360 hours of sick leave. Sick leave is not paid upon termination.

Persons employed for 40 hours or more per week and after being employed continuously for one year, shall be entitled to one week (5 days) of paid vacation. Persons employed continuously by the Municipality for 3 years or more will be entitled to 2 weeks (10 days) of paid vacation.

The Municipality's employee who is eligible for paid time off has accumulated 37.75 hours of vacation as of December 31, 2019. Accumulated vacation and sick leave benefits are estimated at \$930.

NOTE I – SUBSEQUENT EVENTS

On March 11, 2020, the COVID-19 outbreak was declared a global pandemic, which resulted in federal, state, and local governments implementing restrictions and mitigation measures to slow the spread of the virus. The duration of these conditions and the ultimate financial effects on the municipality cannot be reasonably estimated at this time.

In May 2020, the City approved the purchase of products and labor for future road repairs. Materials to cost \$8,740 plus the additional cost of labor, all to be paid out of the Special Highway Fund.

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2019

**CITY OF GORHAM, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis  
(Budgeted Funds Only)**

**For the Year Ended December 31, 2019**

**Schedule 1**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
GENERAL FUND	\$ 266,370	\$ -	\$ 266,370	\$ 165,737	\$ (100,633)
SPECIAL PURPOSE FUNDS					
Special Highway Fund	22,960	-	22,960	2,543	(20,417)
BOND AND INTEREST FUND					
Bond and Interest Fund	14,426	-	14,426	11,965	(2,461)
BUSINESS FUNDS					
Sewer Fund	215,219	-	215,219	70,747	(144,472)
Water Fund	209,297	-	209,297	98,760	(110,537)
Solid Waste Fund	50,174	-	50,174	38,849	(11,325)
Total	<u>\$ 778,446</u>	<u>\$ -</u>	<u>\$ 778,446</u>	<u>\$ 388,601</u>	<u>\$ (389,845)</u>

**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

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

**GENERAL FUND**

**Schedule 2-1**

		<u>2019</u>		Variance Over (Under)
	2018 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Receipts				
Ad Valorem Tax	\$ 83,893	\$ 86,438	\$ 90,674	\$ (4,236)
Delinquent Tax	817	3,263	700	\$ 2,563
Motor Vehicle Tax	20,566	22,059	22,076	(17)
Franchise Tax	10,905	11,690	12,000	(310)
Sales & Use Tax	48,805	54,868	40,000	14,868
Licenses & Permits	802	390	500	(110)
Leases & Rent	1,500	1,500	1,500	-
Reimbursements	300	-	-	-
Transfer from Sewer	-	-	20,000	(20,000)
Neighborhood Revitalization	2,696	-	-	-
State of Kansas - Street Repairs	-	-	6,000	(6,000)
Miscellaneous	4,429	2,493	-	2,493
Interest	<u>623</u>	<u>757</u>	<u>-</u>	<u>757</u>
Total Receipts	<u>175,336</u>	<u>183,458</u>	<u>\$ 193,450</u>	<u>\$ (9,992)</u>
Expenditures				
Personal Services	66,421	62,664	57,680	4,984
Contractual Services	38,960	38,816	50,000	(11,184)
Commodities	15,588	19,414	25,000	(5,586)
Capital Outlay	-	-	86,551	(86,551)
Road Improvements	4,561	6,378	15,000	(8,622)
Miscellaneous	6,419	5,640	-	5,640
Bond Payment Principal & Interest	31,969	32,141	32,139	2
Park Expenses	<u>509</u>	<u>684</u>	<u>-</u>	<u>684</u>
Total Expenditures	<u>164,427</u>	<u>165,737</u>	<u>\$ 266,370</u>	<u>\$ (100,633)</u>
Receipts Over (Under) Expenditures	10,909	17,721		
Unencumbered Cash, Beginning	<u>21,580</u>	<u>32,489</u>		
Unencumbered Cash, Ending	<u>\$ 32,489</u>	<u>\$ 50,210</u>		

**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

**SPECIAL HIGHWAY FUND\***

**Schedule 2-2**

		<u>2019</u>		
	2018	<u>Actual</u>	<u>Budget</u>	Variance
	<u>Actual</u>			Over
				(Under)
Receipts				
State of Kansas	\$ 9,224	\$ 9,313	\$ 9,160	\$ 153
Total Receipts	<u>9,224</u>	<u>9,313</u>	<u>\$ 9,160</u>	<u>\$ 153</u>
Expenditures				
Street Repair	<u>-</u>	<u>2,543</u>	<u>22,960</u>	<u>(20,417)</u>
Total Expenditures	<u>-</u>	<u>2,543</u>	<u>\$ 22,960</u>	<u>\$ (20,417)</u>
Receipts Over (Under) Expenditures	9,224	6,770		
Unencumbered Cash, Beginning	<u>4,760</u>	<u>13,894</u>		
Prior Year Cancelled Encumbrances	-	-		
Unencumbered Cash, Ending	<u>\$ 13,894</u>	<u>\$ 20,664</u>		

\*Previously identified as City County Highway Fund

**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

**Regulatory Basis**

**For the Year Ended December 31, 2019**

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

**GIFTS & GRANTS FUND**

**Schedule 2-3**

	<u>2018 Actual</u>	<u>2019 Actual</u>
Receipts		
Gifts & Grants Income	<u>\$ 1,950</u>	<u>\$ -</u>
Total Receipts	<u>1,950</u>	<u>-</u>
Expenditures		
Gifts & Grants Expense	<u>6,155</u>	<u>-</u>
Total Expenditures	<u>6,155</u>	<u>-</u>
Receipts Over (Under) Expenditures	(4,205)	-
Unencumbered Cash, Beginning	<u>7,145</u>	<u>2,940</u>
Unencumbered Cash, Ending	<u><u>\$ 2,940</u></u>	<u><u>\$ 2,940</u></u>



**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

**BOND AND INTEREST FUND**

**Schedule 2-4**

		<u>2019</u>		
	2018	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
	<u>Actual</u>			
Receipts				
Ad Valorem Tax/Delinquent Tax	\$ -	\$ 2,344	\$ 2,461	\$ (117)
Transfer from Sewer Utility	11,965	11,965	11,965	-
Total Receipts	11,965	14,309	\$ 14,426	\$ (117)
Expenditures				
Principal Payments	8,629	8,854	14,426	(5,572)
Interest Payments	3,013	2,810	-	2,810
Commission	323	301	-	301
Total Expenditures	11,965	11,965	\$ 14,426	\$ (2,461)
Receipts Over (Under) Expenditures	-	2,344		
Unencumbered Cash, Beginning	199	199		
Unencumbered Cash, Ending	\$ 199	\$ 2,543		

**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

**SEWER FUND**

**Schedule 2-5**

		<u>2019</u>		Variance Over (Under)	
	2018 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>		
Receipts					
Customer Charges	\$ 30,281	\$ 30,405	\$ 80,000	\$ (49,595)	
Total Receipts	<u>30,281</u>	<u>30,405</u>	<u>\$ 80,000</u>	<u>\$ (49,595)</u>	
Expenditures					
Operations	22,018	23,276	11,000	12,276	
Personal Services	10,709	10,308	11,000	(692)	
Parts & Maintenance	10,214	25,198	-	25,198	
Capital Outlay	-	-	161,254	(161,254)	
Transfer to General	-	-	20,000	(20,000)	
Transfer to Bond and Interest	<u>11,965</u>	<u>11,965</u>	<u>11,965</u>	<u>-</u>	
Total Expenditures	<u>54,906</u>	<u>70,747</u>	<u>\$ 215,219</u>	<u>\$ (144,472)</u>	
Receipts Over (Under) Expenditures	(24,625)	(40,342)			
Unencumbered Cash, Beginning	<u>96,430</u>	<u>71,805</u>			
Unencumbered Cash, Ending	<u>\$ 71,805</u>	<u>\$ 31,463</u>			

**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

**WATER FUND**

**Schedule 2-6**

		<u>2019</u>		
	2018	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
	<u>Actual</u>			
Receipts				
Customer Charges	\$ 116,254	\$ 112,470	\$ 130,000	\$ (17,530)
Total Receipts	<u>116,254</u>	<u>112,470</u>	<u>\$ 130,000</u>	<u>\$ (17,530)</u>
Expenditures				
Operations	81,438	77,521	88,000	(10,479)
Personal Services	19,571	17,438	18,000	(562)
Capital Outlay	-	-	103,297	(103,297)
Miscellaneous	<u>1,299</u>	<u>3,801</u>	<u>-</u>	<u>3,801</u>
Total Expenditures	<u>102,308</u>	<u>98,760</u>	<u>\$ 209,297</u>	<u>\$ (110,537)</u>
Receipts Over (Under) Expenditures	13,946	13,710		
Unencumbered Cash, Beginning	<u>63,547</u>	<u>77,493</u>		
Unencumbered Cash, Ending	<u>\$ 77,493</u>	<u>\$ 91,203</u>		

**CITY OF GORHAM, KANSAS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**Regulatory Basis**  
**For the Year Ended December 31, 2019**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)**

**SOLID WASTE FUND**

**Schedule 2-7**

		<u>2019</u>		
	2018	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
	<u>Actual</u>			
Receipts				
Customer Charges	\$ 36,135	\$ 36,511	\$ 40,000	\$ (3,489)
Total Receipts	<u>36,135</u>	<u>36,511</u>	<u>\$ 40,000</u>	<u>\$ (3,489)</u>
Expenditures				
Operations	39,210	38,849	38,000	849
Capital Outlay	<u>-</u>	<u>-</u>	<u>12,174</u>	<u>(12,174)</u>
Total Expenditures	<u>39,210</u>	<u>38,849</u>	<u>\$ 50,174</u>	<u>\$ (11,325)</u>
Receipts Over (Under) Expenditures	(3,075)	(2,338)		
Unencumbered Cash, Beginning	<u>5,846</u>	<u>2,771</u>		
Unencumbered Cash, Ending	<u>\$ 2,771</u>	<u>\$ 433</u>		