

CITY OF LINDSBORG, KANSAS

Primary Government Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2020

CITY OF LINDSBORG, KANSAS
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TABLE OF CONTENTS

Independent Auditors' Report	1
Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	4
Notes to Financial Statement	5

Regulatory–Required Supplementary Information

Schedule 1 – Summary of Expenditures – Actual and Budget – Regulatory Basis	16
Schedule 2 – Schedule of Receipts and Expenditures – Regulatory Basis Individually presented by fund	

Governmental Type Funds

General Fund

2-1 General Fund	17
------------------------	----

Special Purpose Funds

2-2 Library Fund	19
2-3 Industrial Development Fund	20
2-4 Recreation and Municipal Golf Course Fund	21
2-5 Special Parks and Recreation Fund	22
2-6 Special Streets Fund	23
2-7 Tourism Promotion Fund	24
2-8 Capital Equipment Reserve Fund	25
2-9 Capital Improvement Fund	26

Bond and Interest Funds

2-10 Bond and Interest Fund	27
-----------------------------------	----

Capital Project Fund

2-11 Garfield Street Project Fund	28
---	----

Business Funds

2-12 Ambulance Fund	29
2-13 Electric Utility Fund	30
2-14 Water Utility Fund	31
2-15 Sewer Utility Fund	32
2-16 Refuse Collection Fund	33
2-17 Stormwater Utility Fund	34
2-18 Electric Reserve Fund	35
2-19 Water Reserve Fund	36
2-20 Special Sewer Reserve Fund	37
2-21 Refuse Reserve Fund	38
2-22 Energy Efficiency Reserve Fund	39

CITY OF LINDSBORG, KANSAS
Primary Government Financial Statement With Independent Auditors' Report
For the Year Ended December 31, 2020

TABLE OF CONTENTS (continued)

Trust Funds

2-23 Special Law Enforcement Trust Fund	40
2-24 Health Insurance Trust Fund	41

Schedule 3 - Summary of Receipts and Disbursements – Regulatory Basis

Agency Funds.....	42
-------------------	----

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Lindsborg, Kansas
Lindsborg, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Lindsborg, 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 Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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 from 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 1, the financial statement is prepared by **City of Lindsborg, 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 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters 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 **City of Lindsborg, 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 **City of Lindsborg, 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 1.

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, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – 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 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of **City of Lindsborg, Kansas** as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated July 20, 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 web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/chief-financial-officer/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 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 1.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

May 17, 2021

CITY OF LINDSBORG, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2020

Funds	Beginning Unencumbered Cash Balance as Previously Stated	Prior Period Adjustment	Beginning Unencumbered Cash Balance as Restated	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds									
General Fund	\$ 871,026	39,240	910,266	-	3,363,223	3,496,404	777,085	651,000	1,428,085
Special Purpose Funds									
Library Fund	-	-	-	-	61,020	61,020	-	-	-
Industrial Development Fund	34,613	1,344	35,957	-	51,445	51,884	35,518	288	35,806
Recreation and Municipal Golf Course Fund	123,693	1,553	125,246	-	201,285	176,890	149,641	4,924	154,565
Special Parks and Recreation Fund	15,268	-	15,268	-	6,286	-	21,554	-	21,554
Special Streets Fund	163,645	-	163,645	-	85,565	33,348	215,862	-	215,862
Tourism Promotion Fund	45,355	-	45,355	-	16,241	18,682	42,914	1,327	44,241
Capital Equipment Reserve Fund	23,464	-	23,464	-	50,000	10,467	62,997	-	62,997
Capital Improvement Fund	22,057	-	22,057	-	-	-	22,057	-	22,057
Bond and Interest Funds									
Bond and Interest Fund	18,058	-	18,058	-	424,672	425,230	17,500	-	17,500
Capital Project Fund									
Garfield Street Project Fund	115,604	-	115,604	-	887	-	116,491	-	116,491
Business Funds									
Ambulance Fund	36,096	146	36,242	-	253,057	236,971	52,328	9,068	61,396
Electric Utility Fund	1,652,495	19,847	1,672,342	-	3,480,823	2,957,522	2,195,643	138,275	2,333,918
Water Utility Fund	322,701	10,469	333,170	-	568,972	602,472	299,670	14,187	313,857
Sewer Utility Fund	551,559	8,382	559,941	-	921,291	1,105,566	375,666	219,447	595,113
Refuse Collection Fund	218,882	-	218,882	-	282,910	308,775	193,017	19,975	212,992
Stormwater Utility Fund	199,106	-	199,106	-	295,177	141,687	352,596	67,182	419,778
Electric Reserve Fund	2,051,387	-	2,051,387	-	100,000	10,000	2,141,387	10,000	2,151,387
Water Reserve Fund	1,255,142	-	1,255,142	-	50,000	10,000	1,295,142	10,000	1,305,142
Special Sewer Reserve Fund	868,050	-	868,050	-	100,000	4,800	963,250	-	963,250
Refuse Reserve Fund	36,239	-	36,239	-	8,000	160	44,079	-	44,079
Energy Efficiency Reserve Fund	130,571	-	130,571	-	27,500	4,366	153,705	-	153,705
Trust Funds									
Special Law Enforcement Trust Fund	3,490	-	3,490	-	-	1,348	2,142	-	2,142
Health Insurance Trust Fund	168,971	-	168,971	-	469,442	473,960	164,453	-	164,453
Total Primary Government (Excluding Agency Funds)	<u>\$ 8,927,472</u>	<u>80,981</u>	<u>9,008,453</u>	<u>-</u>	<u>10,817,796</u>	<u>10,131,552</u>	<u>9,694,697</u>	<u>1,145,673</u>	<u>10,840,370</u>
					Composition of Cash				
						Certificates of Deposit		\$	4,758,621
						Checking Accounts			6,097,721
						Cash on Hand			2,275
						Kansas Municipal Insurance Pool			28
						Total Primary Government			10,858,645
						Agency Funds per Schedule 3			(18,275)
						Total Primary Government (Excluding Agency Funds)		\$	10,840,370

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Lindsborg, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The City is a municipal corporation governed by an elected eight-member council. This financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

Housing Authority

The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements can be obtained by contacting the housing authority's office.

Lindsborg Community Library

The City's Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. The governing body is appointed by the City. Unaudited financial statements can be obtained by contacting the library.

Elmwood Cemetery

The City's Cemetery Board operates the City's cemetery. Three members of the governing body are appointed by the City and the other two members are appointed by Smoky Hill Township. Unaudited financial statements can be obtained by contacting the cemetery board.

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 revenue 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.

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

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

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

Trust Fund – fund 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.).

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

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 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.

Reimbursements

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

NOTE 2 – BUDGETARY INFORMATION

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

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local 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 10 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 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 10 days after publication,

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

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.

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 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 funds: Capital Equipment Reserve Fund and Capital Improvement Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

City of Lindsborg, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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 investment choices. The rating of the City's investments is noted below.

As of December 31, 2020, the City had the following investments and maturities.

Investment Type	Fair Value	Investment	Rating
		Maturities (in years) Less than One	
Kansas Municipal Investment Pool	\$ 28	28	N/A

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

Concentration of Credit Risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405. The City's allocation of investments as of December 31, 2020, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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%. The City does not use "peak periods". All deposits were legally secured at December 31, 2020.

At December 31, 2020, the City's carrying amount of deposits was \$10,858,617 and the bank balance was \$10,881,136. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$700,000 was covered by federal depository insurance and \$10,181,136 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.

At December 31, 2020, the City had invested \$28 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Lindsborg, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2020 were as follows:

From	To	Regulatory Authority	Amount
Electric Utility Fund	Electric Reserve Fund	K.S.A. 12-825d	\$ 100,000
Electric Utility Fund	Energy Efficiency Reserve Fund	K.S.A. 12-825d	27,500
Electric Utility Fund	Industrial Development Fund	K.S.A. 12-825d	15,000
Refuse Collection Fund	General Fund	K.S.A. 12-825d	57,000
Refuse Collection Fund	Refuse Reserve Fund	K.S.A. 12-825d	8,000
Sewer Utility Fund	Special Sewer Reserve Fund	K.S.A. 12-631o	100,000
Water Utility Fund	Water Reserve Fund	K.S.A. 12-825d	50,000

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

Stormwater Utility Fund	General Fund	K.S.A. 12-825d	\$ 45,000
General Fund	Capital Equipment Reserve Fund	K.S.A. 12-1,117	50,000

NOTE 5 – LITIGATION

City of Lindsborg, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

NOTE 6 – RISK MANAGEMENT

City of Lindsborg, Kansas 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 has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 161 participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust for its workers' compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust management.

The City carries commercial insurance for all other risks of loss, including property, general liability, inland marine, cyber solutions, law enforcement, ambulance malpractice, automobile and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 – GRANTS AND SHARED REVENUES

City of Lindsborg, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 8 – RELATED PARTY TRANSACTIONS

City of Lindsborg, Kansas paid \$91,275 for information technology services to Reach Solutions, Inc. A council member is employed by the Company and assists with providing technological services to the City. The City paid \$8,898 for commodities to Gallant Tire and Automotive. A council member is the owner of the Company. The City paid \$6,392 for security technology to Johnson Controls. A council member is employed by the Company and assists with providing services to the City.

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

City of Lindsborg, Kansas was not using the appropriate interest rate for utility deposits at the rate set (annually) by the Kansas Corporation Commission, which is a violation of K.S.A. 12-822.

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

NOTE 10 – DEFERRED COMPENSATION PLAN

City of Lindsborg, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

NOTE 11 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

City of Lindsborg, Kansas 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 or by writing to KPERS (611 S 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. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$156,367 for the year ended December 31, 2020.

Net Pension Liability

At December 31, 2020, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,706,037. 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

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

available on the website at www.kpers.org or can be obtained as described above.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of Lindsborg, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

As provided by K.S.A. 74-4927, disabled members of 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.

NOTE 13 – COMPENSATED ABSENCES

Vacation

City of Lindsborg, Kansas' policy regarding vacation for full-time employees is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>	<u>Maximum Accumulation</u>
After 6 months	3 days	24 hours/3 days
7-12 months	4 hours/month	48 hours/6 days
1-5 years	8 hours/month	120 hours/15 days
6-10 years	10 hours/month	140 hours/17.5 days
11-20 years	12 hours/month	160 hours/20 days
Over 20 years	12 hours/month	200 hours/25 days

The maximum accumulation is the maximum vacation that can be used in an employee's anniversary year. Upon termination, vacation will be paid out up to the maximum allowable accumulation at the regular pay rate at the time of termination.

Sick Leave

The City's policy for sick leave permits regular or salaried full-time employees to earn sick leave at the rate of one working day per month up to a maximum of 60 working days. Upon retirement, pursuant to the provisions of KPERS, any unused sick leave up to 60 working days will be paid out. Upon any other termination, sick leave will automatically be cancelled without any pay.

NOTE 14 – COMMITMENTS

City of Lindsborg, Kansas entered into a water tank maintenance contract with Utility Service Co., Inc. on March 6, 2017 for the repairs, renovation and continued service of the Main Street tank. The annual fee consists of \$134,022 for 2017 and \$15,000 for 2018. Each anniversary year thereafter, the annual fee is adjusted to reflect the Producer Price Index (PPI). The City has the right to continue the contract for an indefinite period of time providing the annual fee is paid. Payments totaling \$15,642 were made in 2020.

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

The City entered into a water tank maintenance contract with Utility Service Co., Inc. on March 6, 2017 for the repairs, renovation and continued service of the standpipe tank. The annual fee consists of \$1,800 for 2017-2019, \$68,408 for 2020 and \$7,240 for 2021. Each anniversary year thereafter, the annual fee is adjusted to reflect the Producer Price Index (PPI). The City has the right to continue the contract for an indefinite period of time providing the annual fee is paid. Payments totaling \$68,408 were made in 2020.

The City entered into a Dogwood Project agreement with Kansas Municipal Energy Agency (KMEA) on July 19, 2017 as a member of KMEA to obtain ownership-like benefits from KMEA's undivided interest in the purchase of the Dogwood Energy Facility and will equitably share in the development and other risks that KMEA must bear in connection with its interest in the Facility. Starting with the first month following the closing of KMEA's acquisition of the Facility, the City will be required to pay capacity charges, transmission charges, energy charges and administrative charges that reflect its properly allocable share of the net costs related to the project. The City's net cost amounts to 3.23% of the total project or \$1,082,358. The City paid \$317,436 on the project in 2020.

NOTE 15 – INTERLOCAL AGREEMENT

City of Lindsborg, Kansas along with McPherson County and seven other cities located within McPherson County entered into an interlocal agreement authorized by state statute to form the McPherson Area Solid Waste Utility effective July 17, 1991. The purpose of the Utility is to assist its members in planning, technical and financial matters for comprehensive solid waste management and accomplish the desired objectives of an effective county-wide solid waste management program, including the operation of a cooperative solid waste processing and disposal system for the benefit of its members.

Management is carried out by an appointed three member board of directors. The City of McPherson and McPherson County each appoint a member and the final member is appointed collectively by the other seven members.

The agreement may be terminated by written consent of two-thirds of the members, provided that prior to such termination all contractual obligations and indebtedness have been paid in full or sufficient resources have been escrowed for payment of such obligation in full when due. Upon such termination, the Board of Directors shall liquidate and distribute the assets in a manner that, in its discretion it deems appropriate. Accordingly, any ongoing financial interest or access to the resources is indeterminable until such action is taken by its Board of Directors. In addition, no member shall be permitted to withdraw for 20 years or such sooner time as provision is made for the payment or discharge of the debt incurred by the County or assumed by the Utility. Any withdrawing member shall not be entitled to distribution of any real or personal property of the Utility by reason of its withdrawal.

The Board of Directors shall determine the methods of obtaining financing for the Utility. The County provided the initial financing for the acquisition of land to be used as a site for disposal of refuse, constructing structures and acquiring equipment necessary for the sanitary disposal of refuse in McPherson County. Effective January 1, 1992, the fiscal accounting and operations of the Utility were transferred from McPherson County to management of the Utility.

Financial information of the McPherson Area Solid Waste Utility is not included in this report. Audited financial statements may be obtained from the administrative offices of the entity at 1431 17th Ave, McPherson, KS 67460.

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement

December 31, 2020

NOTE 16 – DEBT RESTRICTIONS AND COVENANTS

Net Operating Revenue Requirements

The Electric and Waterworks Utility System Revenue bonds require that the City fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the system and produce revenues sufficient to enable the City to have in each year, a debt coverage ratio of not less than 1.25 on all parity bonds and parity obligations at the time outstanding; and 1.10 on any subordinate lien bonds. The City was in compliance with the bond requirement as of December 31, 2020 as the debt service ratio was as follows:

Net Revenues	\$	878,224
Net Revenues Required		122,163
Debt Ratio		7.19

NOTE 17 – CRF AND CARES ACT FUNDING

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARK's first round distribution was to local governments in the amount of \$400 million. The City received CRF in the amount of \$182,111 during 2020. The City is encouraged to share the CRF with school districts and local businesses within the City. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at <https://covid.ks.gov/>.

NOTE 18 – RISKS AND UNCERTAINTIES

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.

NOTE 19 – HEALTH REIMBURSEMENT ARRANGEMENT

City of Lindsborg, Kansas entered into a Health Reimbursement Arrangement (HRA) during 2015. The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employee, their spouse or their dependents. The maximum allowance per year is \$5,000 for employee only, \$10,000 for employee and spouse, employee and children and employee and family. The amount the City paid in HRA reimbursements was \$112,674 for the year ended December 31, 2020.

CITY OF LINDSBORG, KANSAS
Notes to Financial Statement
December 31, 2020

NOTE 20 – PRIOR PERIOD ADJUSTMENT

The Kansas Municipal Audit and Accounting Guide has clarified that vacation carryover does not meet the criteria of being earned until it is utilized. Therefore, the beginning unencumbered cash balances have been restated to remove the vacation liability.

Unencumbered Cash Balance as Previously Stated at December 31, 2019	\$ 8,927,472
Prior Period Adjustment for Vacation Liability	<u>80,981</u>
Unencumbered Cash Balance as Restated at December 31, 2019	\$ <u>9,008,453</u>

NOTE 21 – LONG-TERM DEBT

City of Lindsborg, Kansas has the following types of long-term debt.

General Obligation Bonds

On July 1, 2014, the City issued Series 2014 General Obligation Building bonds in the amount of \$2,635,000 for the purpose of providing funds for the renovation and construction of the Sundstrom Building.

On September 27, 2016, the City issued Series 2016 General Obligation Refunding bonds in the amount of \$1,935,000. Of the amount, \$1,355,000 was issued for the purpose of providing funds for refunding a portion of the Series 2009 General Obligation Refunding bonds and \$580,000 was issued for the purpose of providing funds for the Garfield Street Project.

On September 21, 2017, the City issued Series 2017 General Obligation Building bonds in the amount of \$650,000 for the purpose of providing funds for the construction of a new Emergency Medical Services Facility.

Revenue Bonds

On April 1, 2009, the City issued \$1,310,000 in Electric and Waterworks Utility System Revenue bonds for the purpose of providing funds for electric system improvements including rebuilding the overhead and underground systems as well as replacing electric conductor, utility poles, cross arms and transformers.

KDHE Revolving Loan

The City entered into a \$5,176,532 water pollution control revolving loan agreement on January 4, 2010 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance wastewater treatment improvements. The City draw downs amounted to \$4,950,673 and effective November 14, 2012, \$1,436,426 of the loan was forgiven resulting in a final loan amount of \$3,514,247. The City will use proceeds generated by the operation of the facility for loan repayment.

Lease Obligations

The City has entered into a lease agreement for equipment. The lease contains a fiscal funding clause.

CITY OF LINDSBORG, KANSAS

Notes to Financial Statement
December 31, 2020

Changes in long-term liabilities for the City for the year ended December 31, 2020, 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
General Obligation Bonds									
Series 2014 Public Building Bonds	2.00-4.50%	07/2014	\$ 2,635,000	2034	\$ 2,175,000	-	110,000	2,065,000	73,580
Series 2016 Refunding and Improvement	2.00-3.00%	09/2016	1,935,000	2029	1,620,000	-	195,000	1,425,000	46,650
Series 2017 Improvement Bonds	3.25%	09/2017	650,000	2047	623,319	-	13,939	609,380	20,313
Revenue Bonds									
Electric and Waterworks Utility System Revenue Bonds - Series 2009	3.00-5.125%	04/2009	1,310,000	2024	530,000	-	95,000	435,000	27,163
KDHE Loan									
Kansas Water Pollution Control Revolving Project No. 1790-01A	2.83%	01/2010	3,514,247	2031	2,251,451	-	168,197	2,083,254	62,534
Capital Lease									
Medical Equipment	4.00%	07/2019	61,601	2021	28,664	-	13,435	15,229	1,150
Total Contractual Indebtedness					\$ 7,228,434	-	595,571	6,632,863	231,390

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	
	2021	2022	2023	2024	2025	2026 - 2030	2031 - 2035	2036 - 2040	2041 - 2045	2046 - 2047		
Principal												
General Obligation Bonds	\$	269,448	284,917	290,402	295,852	301,418	1,505,400	816,082	124,465	146,092	65,304	4,099,380
Revenue Bonds		100,000	105,000	110,000	120,000	-	-	-	-	-	-	435,000
KDHE Loan		172,990	177,921	182,991	188,207	193,571	1,053,818	113,756	-	-	-	2,083,254
Capital Lease		15,229	-	-	-	-	-	-	-	-	-	15,229
Total Principal		557,667	567,838	583,393	604,059	494,989	2,559,218	929,838	124,465	146,092	65,304	6,632,863
Interest												
General Obligation Bonds		133,935	126,965	119,460	111,600	95,910	373,724	146,442	46,798	25,170	3,201	1,183,205
Revenue Bonds		22,294	17,169	11,788	6,150	-	-	-	-	-	-	57,401
KDHE Loan		52,640	48,145	43,522	38,768	37,161	99,838	1,609	-	-	-	321,683
Capital Lease		585	-	-	-	-	-	-	-	-	-	585
Total Interest		209,454	192,279	174,770	156,518	133,071	473,562	148,051	46,798	25,170	3,201	1,562,874
Total Principal and Interest	\$	767,121	760,117	758,163	760,577	628,060	3,032,780	1,077,889	171,263	171,262	68,505	8,195,737

CITY OF LINDSBORG, KANSAS

Regulatory-Required Supplementary Information

CITY OF LINDSBORG, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2020

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds					
General Fund	\$ 3,032,972	751,846	3,784,818	3,496,404	(288,414)
Special Purpose Funds					
Library Fund	61,827	-	61,827	61,020	(807)
Industrial Development Fund	64,500	-	64,500	51,884	(12,616)
Recreation and Municipal Golf Course Fund	311,500	-	311,500	176,890	(134,610)
Special Parks and Recreation Fund	17,666	-	17,666	-	(17,666)
Special Streets Fund	231,365	-	231,365	33,348	(198,017)
Tourism Promotion Fund	60,215	-	60,215	18,682	(41,533)
Bond and Interest Fund					
Bond and Interest Fund	450,230	-	450,230	425,230	(25,000)
Business Funds					
Ambulance Fund	315,070	-	315,070	236,971	(78,099)
Electric Utility Fund	5,058,375	-	5,058,375	2,957,522	(2,100,853)
Water Utility Fund	767,096	-	767,096	602,472	(164,624)
Sewer Utility Fund	1,097,820	8,937	1,106,757	1,105,566	(1,191)
Refuse Collection Fund	473,509	-	473,509	308,775	(164,734)
Stormwater Utility Fund	391,751	-	391,751	141,687	(250,064)

CITY OF LINDSBORG, 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)

			Current Year		
	Prior Year Actual		Actual	Budget	Variance Over (Under)
Receipts					
Taxes and Shared Revenues					
Ad Valorem Property	\$ 825,894	917,088	933,270	(16,182)	
Delinquent	12,910	16,029	10,000	6,029	
Motor Vehicle	136,194	133,581	135,221	(1,640)	
In Lieu of Taxes	19,490	19,321	20,000	(679)	
Sales Tax - City	509,438	491,825	575,000	(83,175)	
Sales Tax - County	359,962	406,822	150,000	256,822	
Intergovernmental					
Local Alcohol Liquor Tax	9,921	6,286	11,070	(4,784)	
Connecting Links	14,730	18,413	-	18,413	
State Aid	-	275,396	-	275,396	
Grants	-	10,000	-	10,000	
Rural Fire District Contract	24,940	23,155	21,400	1,755	
Rental Income	2,189	5,375	18,000	(12,625)	
Franchise Fees	63,397	58,437	60,000	(1,563)	
Licenses, Fees and Permits	42,554	54,830	40,365	14,465	
Municipal Court Fines and Fees	76,248	47,947	50,000	(2,053)	
Swimming Pool	52,727	19,899	50,000	(30,101)	
Sundstrom Conference Center	215,106	35,612	275,000	(239,388)	
Reimbursed Expenses - Work Orders	2,048	46,655	-	46,655	
Reimbursed Expenses	5,472	12,815	6,000	6,815	
Miscellaneous Income	38,326	1,308	-	1,308	
Interest Income	221,471	154,343	100,000	54,343	
SRO - School District Contribution	16,008	39,636	40,000	(364)	
CARES Federal Aid	-	86,450	-	86,450	
KHRC Grant Revenue	-	250,000	-	250,000	
CDBG-CV Federal Aid	-	130,000	-	130,000	
Transfers In	96,000	102,000	102,000	-	
Total Receipts	2,745,025	3,363,223	2,597,326	765,897	
Expenditures					
General Government					
Personal Services	261,973	260,751	293,000	(32,249)	
Contractual	279,260	521,180	186,000	335,180	
Commodities	43,841	29,610	25,000	4,610	
Capital Outlay	13,602	20,028	279,972	(259,944)	
Public Safety					
Personal Services	568,870	611,968	595,000	16,968	
Contractual	65,851	59,076	55,000	4,076	
Commodities	45,077	35,064	41,000	(5,936)	
Capital Outlay	69,064	104,377	61,000	43,377	
Streets and Highways					
Personal Services	214,704	219,524	244,000	(24,476)	
Contractual	31,505	25,612	18,000	7,612	
Commodities	47,172	28,460	45,000	(16,540)	
Capital Outlay	339,800	897,412	215,000	682,412	

CITY OF LINDBORG, 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)

			Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)	
Park					
Personal Services	\$ 137,268	146,531	164,000	(17,469)	
Contractual	35,644	14,486	19,000	(4,514)	
Commodities	19,422	14,387	20,000	(5,613)	
Capital Outlay	17,993	24,516	49,000	(24,484)	
Convention Visitors Bureau					
Personal Services	136,109	121,777	143,000	(21,223)	
Contractual	9,011	8,928	19,000	(10,072)	
Commodities	6,840	9,001	8,000	1,001	
Capital Outlay	-	2,544	3,000	(456)	
Swimming Pool					
Personal Services	63,129	33,666	53,500	(19,834)	
Contractual	10,388	3,829	10,000	(6,171)	
Commodities	7,843	4,000	15,000	(11,000)	
Concessions	4,159	-	12,000	(12,000)	
Capital Outlay	38,481	-	-	-	
Conference Center					
Personal Services	92,101	45,014	130,000	(84,986)	
Contractual	59,390	31,202	100,000	(68,798)	
Commodities	91,060	21,652	150,000	(128,348)	
Capital Outlay	-	8,381	15,000	(6,619)	
Library Appropriation	1,431	1,428	2,500	(1,072)	
Cemetery Appropriation	12,000	12,000	12,000	-	
CDBG-CV Grant Expenditures	-	130,000	-	130,000	
Transfers Out	-	50,000	50,000	-	
(a) Adjustment for Qualifying Budget Credits	-	-	751,846	(751,846)	
Total Expenditures	2,722,988	3,496,404	3,784,818	(288,414)	
Receipts Over (Under) Expenditures	22,037	(133,181)			
Unencumbered Cash - Beginning as Previously Stated	838,814	871,026			
Prior Period Adjustment	-	39,240			
Unencumbered Cash - Beginning as Restated	838,814	910,266			
Prior Year Cancelled Encumbrances	10,175	-			
Unencumbered Cash - Ending	\$ 871,026	777,085			
(a) Adjustment for Qualifying Budget Credits					
Federal Aid Over Amount Budgeted			\$ 216,450		
State Aid Over Amount Budgeted			275,396		
Grant Revenue Over Amount Budgeted			260,000		
			\$ 751,846		

CITY OF LINDSBORG, 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 48,289	52,272	53,172	(900)
Delinquent	872	814	750	64
Motor Vehicle	8,890	7,934	7,905	29
Total Receipts	58,051	61,020	61,827	(807)
Expenditures				
Library Appropriations	58,051	61,020	61,827	(807)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	-	-		
Unencumbered Cash - Ending	\$ -	-		

CITY OF LINDSBORG, KANSAS
Industrial Development 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 9,066	21,056	21,385	(329)
Delinquent	339	234	250	(16)
Motor Vehicle	3,900	1,833	1,482	351
County Economic Development	7,824	12,683	7,463	5,220
CARES Federal Aid	-	639	-	639
Transfers In	15,000	15,000	15,000	-
Total Receipts	<u>36,129</u>	<u>51,445</u>	<u>45,580</u>	<u>5,865</u>
Expenditures				
Personal Services	25,647	26,706	32,000	(5,294)
Contractual Services	13,392	12,009	30,000	(17,991)
Commodities	2,329	573	2,500	(1,927)
Capital Outlay	5,895	12,596	-	12,596
Total Expenditures	<u>47,263</u>	<u>51,884</u>	<u>64,500</u>	<u>(12,616)</u>
Receipts Over (Under) Expenditures	<u>(11,134)</u>	<u>(439)</u>		
Unencumbered Cash - Beginning as Previously Stated	44,820	34,613		
Prior Period Adjustment	-	1,344		
Unencumbered Cash - Beginning as Restated	44,820	35,957		
Prior Year Cancelled Encumbrances	927	-		
Unencumbered Cash - Ending	<u>\$ 34,613</u>	<u>35,518</u>		

CITY OF LINDSBORG, KANSAS
Recreation and Municipal Golf Course 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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 63,717	42,868	43,660	(792)
Delinquent	1,494	1,153	600	553
Motor Vehicle	13,396	10,595	10,429	166
Activity Fees	128,199	115,609	135,000	(19,391)
Concessions	25,322	19,706	30,000	(10,294)
CARES Federal Aid	-	1,646	-	1,646
Other	11,509	9,708	-	9,708
Total Receipts	243,637	201,285	219,689	(18,404)
Expenditures				
Personal Services	104,608	104,281	136,000	(31,719)
Contractual Services	55,463	48,270	65,000	(16,730)
Commodities	40,192	11,444	45,500	(34,056)
Capital Outlay	-	3,786	65,000	(61,214)
Concessions	12,260	8,708	-	8,708
Debt Service Principal	13,829	-	-	-
Debt Service Interest	277	-	-	-
Other	416	401	-	401
Total Expenditures	227,045	176,890	311,500	(134,610)
Receipts Over (Under) Expenditures	16,592	24,395		
Unencumbered Cash - Beginning as Previously Stated	107,101	123,693		
Prior Period Adjustment	-	1,553		
Unencumbered Cash - Beginning as Restated	107,101	125,246		
Unencumbered Cash - Ending	\$ 123,693	149,641		

CITY OF LINDSBORG, KANSAS
Special 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Intergovernmental				
Local Alcohol Liquor Tax	\$ 9,921	6,286	11,070	(4,784)
Expenditures				
Contractual	-	-	1,000	(1,000)
Commodities	-	-	1,000	(1,000)
Capital Outlay	-	-	15,666	(15,666)
Total Expenditures	-	-	17,666	(17,666)
Receipts Over (Under) Expenditures	9,921	6,286		
Unencumbered Cash - Beginning	5,347	15,268		
Unencumbered Cash - Ending	\$ 15,268	21,554		

CITY OF LINDSBORG, KANSAS

Special Streets 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Gasoline	\$ 89,793	85,565	89,130	(3,565)
Expenditures				
Contractual Services	137,249	27,000	201,365	(174,365)
Commodities	12,124	6,348	30,000	(23,652)
Total Expenditures	149,373	33,348	231,365	(198,017)
Receipts Over (Under) Expenditures	(59,580)	52,217		
Unencumbered Cash - Beginning	223,225	163,645		
Unencumbered Cash - Ending	\$ 163,645	215,862		

CITY OF LINDSBORG, KANSAS**Tourism Promotion 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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over (Under)
Receipts				
Taxes and Shared Revenues				
Transient Guest Tax	\$ 25,057	16,241	25,000	(8,759)
Expenditures				
Contractual Services	15,218	13,848	50,215	(36,367)
Commodities	4,698	4,834	10,000	(5,166)
Total Expenditures	19,916	18,682	60,215	(41,533)
Receipts Over (Under) Expenditures	5,141	(2,441)		
Unencumbered Cash - Beginning	40,214	45,355		
Unencumbered Cash - Ending	\$ 45,355	42,914		

CITY OF LINDSBORG, KANSAS
Capital 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)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ -	50,000
Expenditures		
Capital Outlay	-	10,467
Receipts Over (Under) Expenditures	-	39,533
Unencumbered Cash - Beginning	23,464	23,464
Unencumbered Cash - Ending	\$ 23,464	62,997

CITY OF LINDSBORG, KANSAS
Capital Improvement 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)

	Prior Year Actual	Current Year Actual
Receipts	\$ -	-
Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	22,057	22,057
Unencumbered Cash - Ending	\$ 22,057	22,057

CITY OF LINDSBORG, 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 151,014	154,855	157,606	(2,751)
Delinquent	2,748	2,508	1,500	1,008
Motor Vehicle	28,392	24,852	24,726	126
Lease Payments	61,225	58,092	58,142	(50)
Sales Tax	180,680	183,580	183,580	-
Interest Income	2,681	785	1,000	(215)
Total Receipts	426,740	424,672	426,554	(1,882)
Expenditures				
Bond Principal Payments	306,171	305,000	305,000	-
Bond Interest Payments	126,353	120,230	120,230	-
Cash Basis Reserve	-	-	25,000	(25,000)
Total Expenditures	432,524	425,230	450,230	(25,000)
Receipts Over (Under) Expenditures	(5,784)	(558)		
Unencumbered Cash - Beginning	23,842	18,058		
Unencumbered Cash - Ending	\$ 18,058	17,500		

CITY OF LINDSBORG, KANSAS
Garfield Street 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)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 2,161	887
Expenditures	-	-
Receipts Over (Under) Expenditures	2,161	887
Unencumbered Cash - Beginning	113,443	115,604
Unencumbered Cash - Ending	\$ 115,604	116,491

CITY OF LINDSBORG, KANSAS

Ambulance 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Charges for Services	\$ 157,593	138,453	175,000	(36,547)
County Reimbursements	91,901	91,901	89,400	2,501
State Aid	20,237	12,360	-	12,360
CARES Federal Aid	-	5,422	-	5,422
Miscellaneous	34,803	4,921	-	4,921
Total Receipts	304,534	253,057	264,400	(11,343)
Expenditures				
Personal Services	153,142	100,527	135,000	(34,473)
Contractual	52,425	54,520	45,000	9,520
Commodities	25,706	19,176	20,000	(824)
Capital Outlay	76,013	26,506	80,818	(54,312)
Bond Principal Payments	13,554	13,939	13,939	-
Bond Interest Payments	20,698	21,463	20,313	1,150
Miscellaneous	1,126	840	-	840
Total Expenditures	342,664	236,971	315,070	(78,099)
Receipts Over (Under) Expenditures	(38,130)	16,086		
Unencumbered Cash - Beginning as Previously Stated	74,144	36,096		
Prior Period Adjustment	-	146		
Unencumbered Cash - Beginning as Restated	74,144	36,242		
Prior Year Cancelled Encumbrances	82	-		
Unencumbered Cash - Ending	\$ 36,096	52,328		

CITY OF LINDSBORG, KANSAS
Electric 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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Under
Receipts				
Charges for Services	\$ 3,361,944	3,295,100	3,400,000	(104,900)
Penalties	24,667	19,591	25,000	(5,409)
Sales Tax	112,636	108,661	117,000	(8,339)
CARES Federal Aid	-	48,207	-	48,207
Miscellaneous	19,677	9,264	20,000	(10,736)
Total Receipts	3,518,924	3,480,823	3,562,000	(81,177)
Expenditures				
Production - Purchased Power	2,382,630	1,687,131	2,400,000	(712,869)
Distribution				
Personal Services	348,860	314,609	446,500	(131,891)
Contractual	66,270	57,697	70,000	(12,303)
Commodities	57,069	68,126	70,000	(1,874)
Capital Outlay	71,317	90,361	1,298,112	(1,207,751)
Continuing Education	7,135	3,257	-	3,257
General Administration				
Personal Services	264,289	269,987	280,000	(10,013)
Contractual	43,686	55,913	45,000	10,913
Commodities	4,688	2,380	5,000	(2,620)
Capital Outlay	-	6,079	25,000	(18,921)
Continuing Education	7,566	2,082	-	2,082
Nonoperating				
Postage	6,835	5,844	6,600	(756)
Sales Tax	121,333	113,424	131,000	(17,576)
Interest and Fees	277	198	16,500	(16,302)
Principal Payments	90,000	95,000	95,000	-
Interest Payments	31,325	27,163	27,163	-
Miscellaneous	15,053	15,771	-	15,771
Transfers Out	141,500	142,500	142,500	-
Total Expenditures	3,659,833	2,957,522	5,058,375	(2,100,853)
Receipts Over (Under) Expenditures	(140,909)	523,301		
Unencumbered Cash - Beginning as Previously Stated	1,793,404	1,652,495		
Prior Period Adjustment	-	19,847		
Unencumbered Cash - Beginning as Restated	1,793,404	1,672,342		
Unencumbered Cash - Ending	\$ 1,652,495	2,195,643		

CITY OF LINDSBORG, 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Charges for Services	\$ 465,679	523,090	475,000	48,090
Penalties	3,819	3,014	3,500	(486)
Water Protection Fee	3,318	3,364	-	3,364
Water Rights Lease	3,800	3,800	-	3,800
CARES Federal Aid	-	30,810	-	30,810
Miscellaneous	27,449	4,894	18,000	(13,106)
Total Receipts	<u>504,065</u>	<u>568,972</u>	<u>496,500</u>	<u>72,472</u>
Expenditures				
Personal Services	246,917	257,929	285,000	(27,071)
Contractual Services	80,906	101,633	65,000	36,633
Commodities	113,328	44,563	125,000	(80,437)
Capital Outlay	70,116	148,347	242,096	(93,749)
Transfers Out	50,000	50,000	50,000	-
Total Expenditures	<u>561,267</u>	<u>602,472</u>	<u>767,096</u>	<u>(164,624)</u>
Receipts Over (Under) Expenditures	<u>(57,202)</u>	<u>(33,500)</u>		
Unencumbered Cash - Beginning as Previously Stated	379,903	322,701		
Prior Period Adjustment	<u>-</u>	<u>10,469</u>		
Unencumbered Cash - Beginning as Restated	<u>379,903</u>	<u>333,170</u>		
Unencumbered Cash - Ending	<u>\$ 322,701</u>	<u>299,670</u>		

CITY OF LINDSBORG, 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)

			Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)	
Receipts					
Sewer Service Charges	\$ 598,422	574,517	590,000	(15,483)	
Penalties	5,536	4,205	5,000	(795)	
Reimbursed Expenses	5,003	5,549	5,000	549	
Reimbursed Expenses - Work Orders	-	327,456	-	327,456	
CARES Federal Aid	-	8,937	-	8,937	
Miscellaneous	1,034	627	-	627	
Total Receipts	609,995	921,291	600,000	321,291	
Expenditures					
Personal Services	164,408	174,972	175,000	(28)	
Contractual Services	52,809	65,992	50,000	15,992	
Commodities	19,597	21,879	20,000	1,879	
Capital Outlay	78,733	511,992	522,089	(10,097)	
Principal Payments	163,536	168,197	168,197	-	
Interest Payments	61,259	57,010	57,010	-	
Service Fees	5,936	5,524	5,524	-	
Transfers Out	100,000	100,000	100,000	-	
(a) Adjustment for Qualifying Budget Credits	-	-	8,937	(8,937)	
Total Expenditures	646,278	1,105,566	1,106,757	(1,191)	
Receipts Over (Under) Expenditures	(36,283)	(184,275)			
Unencumbered Cash - Beginning as Previously Stated	586,179	551,559			
Prior Period Adjustment	-	8,382			
Unencumbered Cash - Beginning as Restated	586,179	559,941			
Prior Year Cancelled Encumbrances	1,663	-			
Unencumbered Cash - Ending	\$ 551,559	375,666			
(a) Adjustment for Qualifying Budget Credits					
Federal Aid Over Amount Budgeted			\$ 8,937		

CITY OF LINDSBORG, KANSAS

Refuse Collection 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Refuse Charges	\$ 273,574	280,744	280,000	744
Penalties	2,754	2,166	3,000	(834)
Total Receipts	276,328	282,910	283,000	(90)
Expenditures				
Contractual Services	227,505	242,281	222,500	19,781
Commodities	1,851	1,494	6,009	(4,515)
Capital Outlay	-	-	180,000	(180,000)
Transfers Out	62,000	65,000	65,000	-
Total Expenditures	291,356	308,775	473,509	(164,734)
Receipts Over (Under) Expenditures	(15,028)	(25,865)		
Unencumbered Cash - Beginning	233,910	218,882		
Unencumbered Cash - Ending	\$ 218,882	193,017		

CITY OF LINDSBORG, KANSAS

Stormwater 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Charges for Services	\$ 234,048	231,961	235,000	(3,039)
Reimbursed Expenses - Work Orders	-	62,499	-	62,499
Penalties	842	717	750	(33)
Total Receipts	<u>234,890</u>	<u>295,177</u>	<u>235,750</u>	<u>59,427</u>
Expenditures				
Contractual Services	60,509	94,900	35,000	59,900
Commodities	776	1,787	15,000	(13,213)
Capital Outlay	-	-	296,751	(296,751)
Transfers Out	42,000	45,000	45,000	-
Total Expenditures	<u>103,285</u>	<u>141,687</u>	<u>391,751</u>	<u>(250,064)</u>
Receipts Over (Under) Expenditures	131,605	153,490		
Unencumbered Cash - Beginning	<u>67,501</u>	<u>199,106</u>		
Unencumbered Cash - Ending	\$ <u>199,106</u>	<u>352,596</u>		

CITY OF LINDSBORG, KANSAS
Electric 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)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 100,000	100,000
Expenditures		
Capital Outlay	-	10,000
Receipts Over (Under) Expenditures	100,000	90,000
Unencumbered Cash - Beginning	1,951,387	2,051,387
Unencumbered Cash - Ending	\$ 2,051,387	2,141,387

CITY OF LINDSBORG, KANSAS
Water 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)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 50,000	50,000
Expenditures		
Capital Outlay	-	10,000
Receipts Over (Under) Expenditures	50,000	40,000
Unencumbered Cash - Beginning	1,205,142	1,255,142
Unencumbered Cash - Ending	\$ 1,255,142	1,295,142

CITY OF LINDSBORG, KANSAS
Special Sewer 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)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 100,000	100,000
Expenditures		
Capital Outlay	-	4,800
Receipts Over (Under) Expenditures	100,000	95,200
Unencumbered Cash - Beginning	768,050	868,050
Unencumbered Cash - Ending	\$ 868,050	963,250

CITY OF LINDSBORG, KANSAS
Refuse 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)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 8,000	8,000
Expenditures		
Capital Outlay	30,762	160
Receipts Over (Under) Expenditures	(22,762)	7,840
Unencumbered Cash - Beginning	59,001	36,239
Unencumbered Cash - Ending	\$ 36,239	44,079

CITY OF LINDSBORG, KANSAS
Energy Efficiency 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)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 26,500	27,500
Expenditures		
Capital Outlay	11,608	4,366
Receipts Over (Under) Expenditures	14,892	23,134
Unencumbered Cash - Beginning	115,679	130,571
Unencumbered Cash - Ending	\$ 130,571	153,705

CITY OF LINDSBORG, KANSAS
Special Law Enforcement Trust 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)

	Prior Year Actual	Current Year Actual
Receipts		
Disposal of Forfeited Property	\$ 800	-
Expenditures		
Appropriations to Police Department	-	1,348
Receipts Over (Under) Expenditures	800	(1,348)
Unencumbered Cash - Beginning	2,690	3,490
Unencumbered Cash - Ending	\$ 3,490	2,142

CITY OF LINDSBORG, KANSAS
Health Insurance Trust 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)

	Prior Year Actual	Current Year Actual
Receipts		
Health Insurance Premiums	\$ 475,135	469,310
Interest Income	160	132
Total Receipts	<u>475,295</u>	<u>469,442</u>
Expenditures		
Health Insurance Premiums	374,047	363,408
Medical and Dental Claims	98,229	110,552
Commodities	16	-
Total Expenditures	<u>472,292</u>	<u>473,960</u>
Receipts Over (Under) Expenditures	3,003	(4,518)
Unencumbered Cash - Beginning	<u>165,968</u>	<u>168,971</u>
Unencumbered Cash - Ending	<u><u>\$ 168,971</u></u>	<u><u>164,453</u></u>

CITY OF LINDSBORG, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2020

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Utility Security Deposit Fund	\$ 19,699	12,121	13,545	18,275