

**CITY OF STAFFORD, KANSAS**

Primary Government Financial Statement  
With Independent Auditors' Report

For the Year Ended December 31, 2019

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## INDEPENDENT AUDITORS' REPORT

To the City Council  
**City of Stafford, Kansas**  
Stafford, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Stafford, 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 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 Stafford, 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 Stafford, 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 **City of Stafford, 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 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 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 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 Stafford, Kansas** as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated July 30, 2019 which contained an unmodified opinion on the basic 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/chief-financial-officer/municipal-services>. 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 basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note 1.

*Adams, Brown, Beran & Ball, Chartered*

**ADAMS, BROWN, BERAN & BALL, CHTD.**  
Certified Public Accountants

July 27, 2020

**CITY OF STAFFORD, KANSAS**  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2019

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Fund Types</b>							
<b>General Fund</b>	\$ 171,676	-	700,055	740,166	131,565	46,921	178,486
<b>Special Purpose Funds</b>							
Library Fund	-	-	21,373	21,373	-	-	-
Fire Equipment Reserve Fund	133,376	-	6,084	-	139,460	-	139,460
Airport Fund	54,896	-	5,127	4,085	55,938	-	55,938
Special Parks and Recreation Fund	2,219	-	234	-	2,453	-	2,453
Special Highway Fund	14,172	-	26,346	39,447	1,071	-	1,071
Equipment Reserve Fund	41,293	-	11,313	-	52,606	-	52,606
Capital Improvement Fund	4,751	-	80,271	84,000	1,022	-	1,022
Community Education Fund	6,654	-	3,216	585	9,285	-	9,285
City Attorney Diversion Fund	3,123	-	305	1,000	2,428	-	2,428
Swimming Pool Fund	113,786	-	111,978	88,900	136,864	-	136,864
<b>Business Funds</b>							
Electrical Improvement Fund	322,983	-	111,979	-	434,962	-	434,962
Equipment Reserve Depreciation Fund	25,000	-	-	-	25,000	-	25,000
Bond Reserve Fund	128,690	-	-	-	128,690	-	128,690
Water Reserve Fund	3,566	-	-	-	3,566	-	3,566
Power Plant Reserve Fund	81,554	-	-	-	81,554	-	81,554
Sewer Reserve Fund	204,365	-	15,000	-	219,365	-	219,365
Ritz Theatre Fund	25	-	47,308	47,333	-	2,084	2,084
Water and Light Fund	474,253	-	1,576,052	1,611,382	438,923	70,553	509,476
Sewer Service Fund	56,880	-	100,075	45,810	111,145	-	111,145
Trash Fund	34,951	-	146,367	135,864	45,454	-	45,454
<b>Total Primary Government</b>	1,878,213	-	2,963,083	2,819,945	2,021,351	119,558	2,140,909
<b>Related Municipal Entity</b>							
Stafford Public Building Commission - Swimming Pool	-	-	88,900	88,900	-	-	-
<b>Total Primary Government</b>	<u>\$ 1,878,213</u>	<u>-</u>	<u>3,051,983</u>	<u>2,908,845</u>	<u>2,021,351</u>	<u>119,558</u>	<u>2,140,909</u>
<b>Composition of Cash</b>							
					Certificates of Deposit	\$	790,050
					Savings Accounts		2,427
					Checking Accounts		1,348,332
					Cash on Hand		100
					Total Primary Government	\$	<u>2,140,909</u>

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

## CITY OF STAFFORD, KANSAS

### Notes to Financial Statement

December 31, 2019

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**City of Stafford, 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 mayor and five-member council. This financial statement presents the City (the municipality) and its related municipal entity, Stafford Public Building Commission, shown below. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents. This financial statement does not include the related municipal entities, Housing Authority and Public Library, shown below.

##### **Stafford Public Building Commission**

The Public Building Commission (PBC) is a municipal corporation of the State of Kansas formed under the authority of K.S.A. 12-1757 *et seq.* and City Ordinance No. 1039 of **City of Stafford, Kansas**. The Commission has been organized by the governing body of **City of Stafford, Kansas** (the "City") for the purposes of acquiring a site or sites for constructing, reconstructing, equipping and furnishing, or purchasing or otherwise acquiring, a building or buildings or other facilities of a revenue producing character.

##### **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. Unaudited financial statements can be obtained by contacting the housing authority's office.

##### **Public Library**

The City's Library Board operates the Nora E. Larabee Memorial 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 Board's members are appointed by the City Council. The City substantially funds the library's operations by levying tax dollars for the library. Unaudited financial statements can be obtained by contacting the library.

#### **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, 2019.

#### **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.

## CITY OF STAFFORD, KANSAS

### Notes to Financial Statement

December 31, 2019

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

#### **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, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2019.

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.



## **CITY OF STAFFORD, KANSAS**

### **Notes to Financial Statement**

December 31, 2019

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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: Equipment Reserve Fund, Community Education Fund, City Attorney Diversion Fund, and Swimming Pool 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 Stafford, 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.

#### **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.

#### **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, 2019.

At December 31, 2019, the City's carrying amount of deposits was \$2,140,909 and the bank balance was \$2,172,361. 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 and \$1,922,361 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

## CITY OF STAFFORD, KANSAS

### Notes to Financial Statement

December 31, 2019

outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2019.

#### 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 Stafford, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2019 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Electrical and Streets Improvement Fund	Resolution 04-12	\$ 111,979
General Fund	Swimming Pool Fund	Ordinance 1042	111,978
Water and Light Fund	Capital Improvement Fund	K.S.A. 12-825d	60,000
Sewer Service Fund	Sewer Reserve Fund	K.S.A. 12-631o	15,000
Sewer Service Fund	Equipment Reserve Fund	K.S.A. 12-825d	10,000
Sewer Service Fund	Ritz Theatre Fund	K.S.A. 12-825d	12,000
Trash Fund	Ritz Theatre Fund	K.S.A. 12-825d	2,500

#### NOTE 5 – LITIGATION

**City of Stafford, 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 Stafford, 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 counties in the State to participate in Kansas Municipal Insurance Trust (KMIT), 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 KMIT for its workers' compensation insurance coverage. The agreement to participate provides that the KMIT 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 KMIT's management.

The City carries commercial insurance for all other risks of loss, including property, general liability, inland marine, automobile, umbrella, law enforcement liability, workers' compensation, airport liability, commercial output, linebacker, cyber liability, 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 Stafford, 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.

## **CITY OF STAFFORD, KANSAS**

### **Notes to Financial Statement**

December 31, 2019

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#### **NOTE 8 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The City did not remit its interest and principal payments to the fiscal agent at least 20 days before their maturity, which is a violation of K.S.A. 10-130.

#### **NOTE 9 – DEFERRED COMPENSATION PLAN**

**City of Stafford, 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 10 – DEFINED BENEFIT PENSION PLAN**

##### **General Information about the Pension Plan**

###### **Plan Description**

**City of Stafford, 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](http://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 8.89% for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City were \$49,432 for the year ended December 31, 2019.

##### **Net Pension Liability**

At December 31, 2019, the City's proportionate share of the collective net pension liability reported by KPERS was \$445,552. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and

## CITY OF STAFFORD, KANSAS

### Notes to Financial Statement

December 31, 2019

non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

#### NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of Stafford, 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 in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2019.

#### NOTE 12 – COMPENSATED ABSENCES

##### Vacation

**City of Stafford, Kansas'** policy regarding vacation is that a full-time employee is entitled to paid vacation according to the following schedule:

Years of Continuous Employment	0-5	5-10	10-15	15-20	20+
Hours Earned Per Month	8	10	12	14	16
Maximum Hours Accumulation	144	180	216	252	288

Upon termination, an employee shall be compensated for all earned but unused vacation at his/her final rate of pay.

##### Sick Leave

The City's policy regarding sick leave is that full-time employees, who work at least 17 days out of the month, accumulate sick leave at 8 hours per month, which is cancelled upon the termination of the employee. There is no limit to the accumulation of sick leave.

#### NOTE 13 – HEALTH REIMBURSEMENT ARRANGEMENT

**City of Stafford, 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 \$39,623 for the year ended December 31, 2019.

**CITY OF STAFFORD, KANSAS**

Notes to Financial Statement

December 31, 2019

**NOTE 14 – STAFFORD PUBLIC BUILDING COMMISSION****Lease Receivable**

Stafford Public Building Commission entered into a separate lease agreement with **City of Stafford, Kansas** for the lease of the swimming pool. The City is obligated to make payments to the Commission equivalent to the debt that the Commission has assumed and to pay its outstanding revenue bond. Total payments receivable are as follows:

<u>Years Ending December 31</u>	<u>Total</u>
2020	\$ 87,000
2021	90,100
2022	88,300
2023	86,500
2024	90,465
2025-2029	443,135
2030-2034	442,325
2035-2039	442,238
2040-2042	<u>268,938</u>
<b>Total</b>	<b>\$ <u>2,039,001</u></b>

**Long-Term Debt**

The Commission issued Revenue Bonds, Series 2017 dated October 17, 2017 with an original issue amount of \$1,475,000 for the construction of a swimming pool. The bonds have varying maturities with annual payments. Interest rates range from 2.30-4.75% depending on the maturity date.

**NOTE 15 – DEBT RESTRICTIONS AND COVENANTS****Net Operating Revenue Requirements**

The Series 2014 Electric and Water 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 this requirement as of December 31, 2019 as the debt service ratio was as follows:

**2014 Series Electric and Water Utility System Revenue Bond**

Net Revenues	\$ 148,340
Net Revenues Required	105,355
<b>Debt Ratio (Net Revenues/Net Revenues Required)</b>	<b>1.41</b>

The Series 2014 Electric and Water Utility System Revenue Bonds require that the City credit monthly deposits of an equal pro rata portion of the amount of interest coming due in an amount not less than 1/6 of the amount of interest on the next succeeding interest payment date and an amount not less than 1/12 of the amount of principal coming due on the next succeeding maturity date. The City is in compliance as of December 31, 2019 as the funded amount is as follows:

1 <sup>st</sup> Interest Payment of Two for Next Year	\$ 24,628
Principal Payment for Next Year	60,000

**CITY OF STAFFORD, KANSAS**

Notes to Financial Statement

December 31, 2019

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Interest Accrual (1/6 of first payment)	\$	4,105
Principal Accrual (1/12 of payment)		<u>5,000</u>
<b>Total Required</b>		9,105
 Water and Light Fund		
Unencumbered Cash @ 12-31-19		438,923
Bond Reserve Fund		
Unencumbered Cash @ 12-31-19		<u>128,690</u>
 <b>Amount Over Funded</b>	<b>\$</b>	<b><u>558,508</u></b>

**NOTE 16 – SUBSEQUENT EVENTS**

Subsequent to year end, the United States experienced a nationwide pandemic from the novel coronavirus known as COVID-19. As a result of the spread of COVID-19, economic uncertainties have arisen which are likely to negatively impact the entire United States economy. As of the date of this financial statement, the City is unable to reasonably determine the effects of this virus on the operations of the municipality. The City has evaluated subsequent events through July 27, 2020, which is the date the financial statement was available to be issued.

**NOTE 17 – LONG-TERM DEBT**

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

**Revenue Bonds**

On March 4, 2014, the City issued \$1,925,000 in Electric and Water Utility System Series 2014 revenue bonds for acquiring, constructing, reconstructing, improving or enlarging the system.

**Capital Leases**

The City entered a lease agreement with Stafford Public Building Commission on October 17, 2017 in which the City is the lessee. The basic term ends on August 1, 2042.

The terms of the lease provide for basic rent to be paid on each basic rent payment date in an amount sufficient to pay on the next succeeding payment date, the principal of, redemption premium, if any, and interest on the Series 2017 revenue bonds which are due. The basic rent payment dates are February 1 and August 1, commencing August 1, 2018, and continuing through the basic term of the lease. The lease agreement also provides for the payment of additional rent, in addition to basic rent, in amounts pursuant to the terms of the lease. The City intends that revenues received from a one cent sales tax, approved by the voters of the City on August 15, 2016, and from the operation of the project under the provisions of the lease, will be used to make the City's payments to the Commission under the lease, which payments will in turn, be used to pay debt service on the Series 2017 refunding bonds. To the extent that the payments of basic rent and additional rent are not adequate to provide the Commission with funds sufficient to pay the principal and interest on the bonds as they become due and payable, the City shall be obligated to pay, as additional rent, further sums of money as may be required for such purposes.

**CITY OF STAFFORD, KANSAS**  
Notes to Financial Statement  
December 31, 2019

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<u>Years Ending December 31,</u>	<u>Total</u>
2020	\$ 87,000
2021	90,100
2022	88,300
2023	86,500
2024	90,465
2025-2029	443,135
2030-2034	442,325
2035-2039	442,238
2040-2042	<u>268,938</u>
<b>Total</b>	<b>\$ <u>2,039,001</u></b>

The City has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

**CITY OF STAFFORD, KANSAS**  
Notes to Financial Statement  
December 31, 2019

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	Final Maturity	Balance Beginning of Year	Additions	Reductions/Payments	Balance End of Year	Interest Paid
<b>Capital Leases</b>									
Digital Cinema Projector	0.00%	06/07/2014	\$ 49,180	09/07/2019	\$ 5,737	-	5,737	-	-
Ford F150	2.85%	05/09/2016	31,467	05/09/2020	8,479	-	4,174	4,305	244
Bobcat	2.85%	03/28/2016	39,839	03/28/2020	16,378	-	8,072	8,306	472
Public Building Commission - Series 2017	2.30-4.75%	10/17/2017	1,475,000	08/01/2042	1,430,000	-	40,000	1,390,000	48,900
<b>Revenue Bonds</b>									
Electric and Water Utility System Revenue Bonds - Series 2014	2.00-4.55%	03/04/2014	1,925,000	09/01/2037	1,340,000	-	55,000	1,285,000	50,355
<b>Total for City of Stafford</b>					2,800,594	-	112,983	2,687,611	99,971
<b>Stafford Public Building Commission</b>									
Revenue Bonds - Series 2017	2.30-4.75%	10/17/2017	1,475,000	08/01/2042	1,430,000	-	40,000	1,390,000	48,900
<b>Total Contractual Indebtedness</b>					<u>\$ 4,230,594</u>	<u>-</u>	<u>152,983</u>	<u>4,077,611</u>	<u>148,871</u>

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

City Principal	YEAR									Total
	2020	2021	2022	2023	2024	2025 - 2029	2030 - 2034	2035 - 2039	2040 - 2042	
Capital Leases	\$ 52,611	45,000	45,000	45,000	50,000	260,000	300,000	355,000	250,000	1,402,611
Revenue Bonds	60,000	60,000	65,000	65,000	65,000	370,000	450,000	150,000	-	1,285,000
Total Principal	112,611	105,000	110,000	110,000	115,000	630,000	750,000	505,000	250,000	2,687,611
Interest										
Capital Leases	47,363	45,100	43,300	41,500	40,465	183,135	142,325	872,378	18,938	1,434,504
Revenue Bonds	49,255	47,455	45,655	43,705	41,755	171,100	90,869	10,975	-	500,769
Total Interest	96,618	92,555	88,955	85,205	82,220	354,235	233,194	883,353	18,938	1,935,273
Total City Principal and Interest	\$ 209,229	197,555	198,955	195,205	197,220	984,235	983,194	1,388,353	268,938	4,622,884
Stafford Public Building Commission										
Principal										
Revenue Bonds	\$ 40,000	45,000	45,000	45,000	50,000	260,000	300,000	355,000	250,000	1,390,000
Interest										
Revenue Bonds	47,000	45,100	43,300	41,500	40,465	183,135	142,325	87,238	18,938	649,001
Total Stafford Public Building Commission Principal and Interest	\$ 87,000	90,100	88,300	86,500	90,465	443,135	442,325	442,238	268,938	2,039,001



**CITY OF STAFFORD, KANSAS**

Regulatory-Required Supplementary Information

**CITY OF STAFFORD, KANSAS**  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Fund Types</b>					
<b>General Fund</b>	\$ 881,489	-	881,489	<b>740,166</b>	(141,323)
<b>Special Purpose Funds</b>					
Library Fund	23,200	-	23,200	<b>21,373</b>	(1,827)
Fire Equipment Reserve Fund	66,912	-	66,912	-	(66,912)
Airport Fund	46,622	-	46,622	<b>4,085</b>	(42,537)
Special Parks and Recreation Fund	3,113	-	3,113	-	(3,113)
Special Highway Fund	40,643	-	40,643	<b>39,447</b>	(1,196)
Capital Improvement Fund	111,678	-	111,678	<b>84,000</b>	(27,678)
<b>Business Funds</b>					
Ritz Theatre Fund	61,435	-	61,435	<b>47,333</b>	(14,102)
Water and Light Fund	1,753,961	-	1,753,961	<b>1,611,382</b>	(142,579)
Sewer Service Fund	160,507	-	160,507	<b>45,810</b>	(114,697)
Trash Fund	163,853	-	163,853	<b>135,864</b>	(27,989)

**CITY OF STAFFORD, KANSAS**  
**General Fund**  
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)

			Current Year		Variance
	Prior Year Actual		Actual	Budget	Over Over (Under)
<b>Receipts</b>					
Taxes and Shared Revenues					
Ad Valorem Property	\$ 228,110		<b>246,792</b>	259,990	(13,198)
Delinquent	11,349		<b>18,641</b>	10,000	8,641
Motor Vehicle	46,684		<b>49,218</b>	42,216	7,002
Commercial Motor Vehicle	1,966		<b>2,472</b>	1,782	690
Recreational Vehicle	1,157		<b>1,254</b>	790	464
16/20 M Vehicle	859		<b>484</b>	781	(297)
Local Alcohol Liquor	136		<b>235</b>	782	(547)
County Sales	67,085		<b>70,456</b>	65,000	5,456
Franchise Tax	20,829		<b>17,753</b>	20,000	(2,247)
City Sales Tax	263,215		<b>223,957</b>	250,000	(26,043)
Transient Guest Tax	1,881		-	2,500	(2,500)
Fines and Forfeitures	3,823		<b>3,680</b>	4,000	(320)
Licenses and Permits	1,125		<b>1,675</b>	1,500	175
Swimming Pool	130		<b>8,665</b>	3,000	5,665
Reimbursed Expenses	80,729		<b>59,156</b>	20,000	39,156
Leases and Rentals	7,768		<b>7,334</b>	8,400	(1,066)
Interest	866		<b>3,170</b>	1,000	2,170
Mowing and Other	532		<b>6,485</b>	3,000	3,485
Transfers In	125,000		-	115,000	(115,000)
Neighborhood Revitalization	(9,396)		<b>(21,372)</b>	(20,879)	(493)
<b>Total Receipts</b>	<u>853,848</u>		<u><b>700,055</b></u>	<u>788,862</u>	<u>(88,807)</u>
<b>Expenditures</b>					
General Administrative	60,784		<b>56,283</b>	75,375	(19,092)
Public Safety					
Fire Department	25,572		<b>26,446</b>	33,300	(6,854)
Police Department	300,950		<b>221,053</b>	289,550	(68,497)
Parks and Recreation	18,440		<b>15,579</b>	29,000	(13,421)
Swimming Pool	19,080		<b>52,150</b>	39,335	12,815
Public Works	85,838		<b>77,130</b>	74,850	2,280
Employee Benefits	35,123		<b>41,355</b>	49,000	(7,645)
Other	10,037		<b>26,213</b>	41,079	(14,866)
Transfers Out	280,844		<b>223,957</b>	250,000	(26,043)
<b>Total Expenditures</b>	<u>836,668</u>		<u><b>740,166</b></u>	<u>881,489</u>	<u>(141,323)</u>
<b>Receipts Over (Under) Expenditures</b>	17,180		<b>(40,111)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>154,496</u>		<u><b>171,676</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>171,676</u>		<u><b>131,565</b></u>		

**CITY OF STAFFORD, KANSAS**  
**Library Fund**

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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 17,137	<b>17,404</b>	18,337	(933)
Delinquent	942	<b>1,443</b>	500	943
Motor Vehicle	3,787	<b>3,901</b>	3,171	730
Commercial Motor Vehicle	151	-	134	(134)
Recreational Vehicle	91	<b>95</b>	59	36
16/20 M Vehicle	80	<b>37</b>	59	(22)
Cash Reserve	-	-	2,081	(2,081)
Neighborhood Revitalization	(706)	<b>(1,507)</b>	(1,423)	(84)
<b>Total Receipts</b>	21,482	<b>21,373</b>	<u>22,918</u>	<u>(1,545)</u>
<b>Expenditures</b>				
Appropriations to Library Board	21,764	<b>21,373</b>	<u>23,200</u>	<u>(1,827)</u>
<b>Receipts Over (Under) Expenditures</b>	(282)	-		
<b>Unencumbered Cash - Beginning</b>	<u>282</u>	<u>-</u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>-</u>	<u>-</u>		

**CITY OF STAFFORD, KANSAS**  
**Fire Equipment Reserve Fund**  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Revenues				
Ad Valorem Property	\$ 4,762	<b>4,748</b>	5,000	(252)
Delinquent	292	<b>412</b>	250	162
Motor Vehicle	1,257	<b>1,196</b>	881	315
Commercial Motor Vehicle	66	-	37	(37)
Recreational Vehicle	35	<b>29</b>	17	12
16/20 M Vehicle	7	<b>16</b>	16	-
Interest	25	<b>94</b>	50	44
Neighborhood Revitalization	(196)	<b>(411)</b>	(228)	(183)
Transfers In	17,628	-	-	-
<b>Total Receipts</b>	23,876	<b>6,084</b>	<u>6,023</u>	<u>61</u>
<b>Expenditures</b>				
Equipment and Maintenance	-	-	<u>66,912</u>	<u>(66,912)</u>
<b>Receipts Over (Under) Expenditures</b>	23,876	<b>6,084</b>		
<b>Unencumbered Cash - Beginning</b>	<u>109,500</u>	<b><u>133,376</u></b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>133,376</u>	<b><u>139,460</u></b>		

## CITY OF STAFFORD, KANSAS

## Airport Fund

## 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Revenues				
Delinquent	\$ 20	14	-	14
Sale of Crops and Hangar Rental	8,072	4,819	5,000	(181)
Interest	90	294	50	244
<b>Total Receipts</b>	8,182	5,127	5,050	77
<b>Expenditures</b>				
Contractual Services	3,865	2,623	4,000	(1,377)
Commodities	2,943	1,462	2,000	(538)
Capital Outlay	-	-	40,622	(40,622)
<b>Total Expenditures</b>	6,808	4,085	46,622	(42,537)
<b>Receipts Over (Under) Expenditures</b>	1,374	1,042		
<b>Unencumbered Cash - Beginning</b>	53,522	54,896		
<b>Unencumbered Cash - Ending</b>	\$ 54,896	55,938		

**CITY OF STAFFORD, KANSAS**  
**Special Parks and Recreation Fund**  
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes and Shared Revenues				
Local Alcohol Liquor	\$ 136	234	782	(548)
<b>Expenditures</b>				
Contractual Services	-	-	500	(500)
Commodities	-	-	500	(500)
Capital Outlay	1,966	-	2,113	(2,113)
<b>Total Expenditures</b>	1,966	-	3,113	(3,113)
<b>Receipts Over (Under) Expenditures</b>	(1,830)	234		
<b>Unencumbered Cash - Beginning</b>	4,049	2,219		
<b>Unencumbered Cash - Ending</b>	\$ 2,219	2,453		

**CITY OF STAFFORD, KANSAS**  
**Special Highway Fund**  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Revenues				
State Gasoline Tax	\$ 26,470	<b>26,346</b>	<u>26,520</u>	<u>(174)</u>
<b>Expenditures</b>				
Commodities	48,001	<b>39,447</b>	<u>40,643</u>	<u>(1,196)</u>
<b>Receipts Over (Under) Expenditures</b>	(21,531)	<b>(13,101)</b>		
<b>Unencumbered Cash - Beginning</b>	35,703	<b>14,172</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>14,172</u>	<u><b>1,071</b></u>		



**CITY OF STAFFORD, KANSAS**  
**Equipment Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Interest	\$ 350	1,313
Transfers In	10,000	10,000
<b>Total Receipts</b>	10,350	11,313
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	10,350	11,313
<b>Unencumbered Cash - Beginning</b>	30,943	41,293
<b>Unencumbered Cash - Ending</b>	\$ 41,293	52,606

**CITY OF STAFFORD, KANSAS**  
**Capital Improvement Fund**  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Transfers In	\$ -	<b>60,000</b>	70,000	(10,000)
User Fees	20,445	<b>20,271</b>	22,000	(1,729)
<b>Total Receipts</b>	20,445	<b>80,271</b>	<u>92,000</u>	<u>(11,729)</u>
<b>Expenditures</b>				
Capital Outlay	83,372	<b>84,000</b>	<u>111,678</u>	<u>(27,678)</u>
<b>Receipts Over (Under) Expenditures</b>	(62,927)	<b>(3,729)</b>		
<b>Unencumbered Cash - Beginning</b>	67,678	<b>4,751</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>4,751</u>	<u><b>1,022</b></u>		

**CITY OF STAFFORD, KANSAS**  
**Community Education Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Donations	\$ 6,577	3,216
<b>Expenditures</b>		
Donations	2,624	366
Contractual Services	308	219
<b>Total Expenditures</b>	2,932	585
<b>Receipts Over (Under) Expenditures</b>	3,645	2,631
<b>Unencumbered Cash - Beginning</b>	3,009	6,654
<b>Unencumbered Cash - Ending</b>	\$ 6,654	9,285

**CITY OF STAFFORD, KANSAS**  
**City Attorney Diversion Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Interest	\$ 3	5
Diversion Fees	500	300
<b>Total Receipts</b>	503	305
<b>Expenditures</b>		
Miscellaneous	-	1,000
<b>Receipts Over (Under) Expenditures</b>	503	(695)
<b>Unencumbered Cash - Beginning</b>	2,620	3,123
<b>Unencumbered Cash - Ending</b>	\$ 3,123	2,428

**CITY OF STAFFORD, KANSAS**  
**Swimming Pool Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 131,608	<b>111,978</b>
<b>Expenditures</b>		
Rent to Stafford Public Building Commission - Swimming Pool	85,263	<b>88,900</b>
<b>Receipts Over (Under) Expenditures</b>	46,345	<b>23,078</b>
<b>Unencumbered Cash - Beginning</b>	67,441	<b>113,786</b>
<b>Unencumbered Cash - Ending</b>	\$ 113,786	<b>136,864</b>

**CITY OF STAFFORD, KANSAS**  
**Electrical and Streets Improvement Fund**  
Schedule of Receipts and Expenditures  
Regulatory Basis

For the Year Ended December 31, 2019  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 131,608	<b>111,979</b>
<b>Expenditures</b>		
Capital Outlay	14,385	-
<b>Receipts Over (Under) Expenditures</b>	117,223	<b>111,979</b>
<b>Unencumbered Cash - Beginning</b>	205,760	<b>322,983</b>
<b>Unencumbered Cash - Ending</b>	\$ 322,983	<b>434,962</b>

**CITY OF STAFFORD, KANSAS**  
**Equipment Reserve Depreciation Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>	\$ -	-
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	25,000	<b>25,000</b>
<b>Unencumbered Cash - Ending</b>	\$ 25,000	<b>25,000</b>

**CITY OF STAFFORD, KANSAS**  
**Bond Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>	\$ -	-
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	128,690	<b>128,690</b>
<b>Unencumbered Cash - Ending</b>	\$ 128,690	<b>128,690</b>



**CITY OF STAFFORD, KANSAS**  
**Water Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>	\$ -	-
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	3,566	<b>3,566</b>
<b>Unencumbered Cash - Ending</b>	\$ 3,566	<b>3,566</b>

**CITY OF STAFFORD, KANSAS**  
**Power Plant Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>	\$ -	-
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	-	-
<b>Unencumbered Cash - Beginning</b>	81,554	<b>81,554</b>
<b>Unencumbered Cash - Ending</b>	\$ 81,554	<b>81,554</b>

**CITY OF STAFFORD, KANSAS**  
**Sewer Reserve Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Transfers In	\$ 50,000	<b>15,000</b>
<b>Expenditures</b>		
Capital Outlay	5,635	-
<b>Receipts Over (Under) Expenditures</b>	44,365	<b>15,000</b>
<b>Unencumbered Cash - Beginning</b>	160,000	<b>204,365</b>
<b>Unencumbered Cash - Ending</b>	\$ 204,365	<b>219,365</b>

**CITY OF STAFFORD, KANSAS**  
**Ritz Theatre Fund**

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Sales	\$ 33,151	<b>29,308</b>	35,000	(5,692)
Donations and Miscellaneous	1,819	<b>3,500</b>	5,400	(1,900)
Transfers In	15,000	<b>14,500</b>	12,500	2,000
<b>Total Receipts</b>	<u>49,970</u>	<u><b>47,308</b></u>	<u>52,900</u>	<u>(5,592)</u>
<b>Expenditures</b>				
Salaries and Benefits	16,595	<b>16,595</b>	18,250	(1,655)
Contractual Services	13,689	<b>12,622</b>	19,000	(6,378)
Commodities	10,866	<b>13,174</b>	13,000	174
Capital Outlay	9,016	<b>4,942</b>	11,185	(6,243)
<b>Total Expenditures</b>	<u>50,166</u>	<u><b>47,333</b></u>	<u>61,435</u>	<u>(14,102)</u>
<b>Receipts Over (Under) Expenditures</b>	(196)	<b>(25)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>221</u>	<u><b>25</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>25</u>	<u>-</u>		

**CITY OF STAFFORD, KANSAS**  
**Water and Light Fund**

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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Sales and Services	\$ 1,665,898	<b>1,492,555</b>	1,465,000	27,555
Penalties	17,970	<b>16,987</b>	20,000	(3,013)
Sales Tax	47,266	<b>44,746</b>	40,000	4,746
Interest	4,276	<b>11,673</b>	5,000	6,673
Connection Fees	5,025	<b>6,555</b>	7,000	(445)
Reimbursed Expenses	977	<b>3,536</b>	2,500	1,036
<b>Total Receipts</b>	<u>1,741,412</u>	<u><b>1,576,052</b></u>	<u>1,539,500</u>	<u>36,552</u>
<b>Expenditures</b>				
Power Plant Production	896,202	<b>873,331</b>	949,960	(76,629)
Transmission and Distribution				
Electric	117,656	<b>88,008</b>	116,500	(28,492)
Water	79,771	<b>70,084</b>	70,000	84
Combined	45,659	<b>69,429</b>	57,000	12,429
General Administrative	259,821	<b>265,260</b>	293,000	(27,740)
Sales and Use Tax	56,151	<b>51,431</b>	45,000	6,431
Water Resource Tax	2,073	<b>2,021</b>	2,500	(479)
Community Development and Promotion	5,874	<b>8,147</b>	7,500	647
Contractual	-	-	53,000	(53,000)
Capital Outlay	14,457	<b>18,316</b>	19,146	(830)
Bond Payment	55,000	<b>55,000</b>	55,000	-
Interest Payment	51,455	<b>50,355</b>	50,355	-
Transfers Out	55,000	<b>60,000</b>	35,000	25,000
<b>Total Expenditures</b>	<u>1,639,119</u>	<u><b>1,611,382</b></u>	<u>1,753,961</u>	<u>(142,579)</u>
<b>Receipts Over (Under) Expenditures</b>	102,293	<b>(35,330)</b>		
<b>Unencumbered Cash - Beginning</b>	<u>371,960</u>	<u><b>474,253</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u><u>474,253</u></u>	<u><u><b>438,923</b></u></u>		

**CITY OF STAFFORD, KANSAS**  
**Sewer Service Fund**  
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
User Fees	\$ 100,144	<b>98,556</b>	106,000	(7,444)
Interest	405	<b>1,519</b>	400	1,119
Other	-	-	100	(100)
<b>Total Receipts</b>	100,549	<b>100,075</b>	106,500	(6,425)
<b>Expenditures</b>				
Personal Services	-	-	7,000	(7,000)
Health Insurance and Benefits	-	-	4,500	(4,500)
Contractual Services	364	<b>3</b>	2,000	(1,997)
Commodities	24,312	<b>8,807</b>	30,000	(21,193)
Capital Outlay	-	-	12,007	(12,007)
Sewer Improvements	-	-	5,000	(5,000)
Transfers Out	130,000	<b>37,000</b>	100,000	(63,000)
<b>Total Expenditures</b>	154,676	<b>45,810</b>	160,507	(114,697)
<b>Receipts Over (Under) Expenditures</b>	(54,127)	<b>54,265</b>		
<b>Unencumbered Cash - Beginning</b>	111,007	<b>56,880</b>		
<b>Unencumbered Cash - Ending</b>	\$ 56,880	<b>111,145</b>		

**CITY OF STAFFORD, KANSAS**  
**Trash Fund**

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)

		Prior Year Actual	Current Year		Variance Over (Under)
			Actual	Budget	
<b>Receipts</b>					
Trash Service Collections	\$	148,063	<b>146,367</b>	150,000	(3,633)
<b>Expenditures</b>					
Contractual Services		131,965	<b>133,364</b>	156,353	(22,989)
Transfers Out		15,000	<b>2,500</b>	7,500	(5,000)
<b>Total Expenditures</b>		146,965	<b>135,864</b>	163,853	(27,989)
<b>Receipts Over (Under) Expenditures</b>		1,098	<b>10,503</b>		
<b>Unencumbered Cash - Beginning</b>		33,853	<b>34,951</b>		
<b>Unencumbered Cash - Ending</b>	\$	34,951	<b>45,454</b>		

**CITY OF STAFFORD, KANSAS**  
**Stafford Public Building Commission - Swimming Pool Fund**  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	Prior Year Actual	Current Year Actual
<b>Receipts</b>		
Rent from City of Stafford	\$ 85,263	88,900
<b>Expenditures</b>		
Principal and Interest Payment	85,263	88,900
Capital Outlay Expenses	41,772	-
<b>Total Expenditures</b>	127,035	88,900
<b>Receipts Over (Under) Expenditures</b>	(41,772)	-
<b>Unencumbered Cash - Beginning</b>	41,772	-
<b>Unencumbered Cash - Ending</b>	\$ -	-