

**CITY OF NORTON, KANSAS**  
Norton, Kansas  
Financial Statement and Regulatory-Required  
Supplementary Information with Independent Auditor's Report  
For the Year Ended December 31, 2019

**MAPES & MILLER LLP**  
Certified Public Accountants  
Norton, Kansas

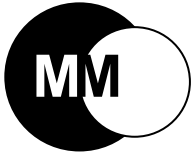
**CITY OF NORTON, KANSAS**  
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Supplementary Information with Independent Auditor's Report  
For the Year Ended December 31, 2019

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# Mapes & Miller LLP

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of Norton  
Norton, Kansas 67654

We have audited the accompanying summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Norton, Norton, Kansas, a Municipal Financial Reporting Entity 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.

### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Norton, 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 the accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Norton, Kansas, as of December 31, 2019, or changes in financial position and cash flows thereof for the year then ended.

*Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Norton, 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, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis summary of receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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.

*Mapes & Miller LLP*

Certified Public Accountants

Norton, Kansas  
September 30, 2020

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

STATEMENT 1  
Page 1

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General	\$ 681,898	0	1,742,327	1,676,116	748,109	70,076	818,185
Special Purpose Funds							
Employee Benefits	102,645	0	113,816	131,065	85,396	0	85,396
Special Highway	149,901	0	172,010	38,979	282,932	0	282,932
Special Parks	33,437	0	13,209	675	45,971	0	45,971
Industrial Development	103,966	0	16,858	0	120,824	0	120,824
Tourism and Convention	0	0	41,203	41,203	0	0	0
Library	0	0	114,456	112,923	1,533	0	1,533
Library Employee Benefits	0	0	36,283	35,840	443	0	443
Special Health Insurance	137,849	0	567,525	607,705	97,669	0	97,669
Animal Pound Donation	71,573	0	0	0	71,573	0	71,573
Cemetery Donation	15,998	0	0	0	15,998	0	15,998
Special Pool Sales Tax	463,724	0	387,370	454,554	396,540	0	396,540
Police Forfeiture	0	0	0	0	0	0	0
City Land Bank	769	0	0	20	749	0	749
Equipment Reserve	75,000	0	82,500	5,170	152,330	0	152,330
Capital Improvement	40,000	0	82,500	57,806	64,694	0	64,694
Bond and Interest Funds							
Bond and Interest	68,557	0	83,431	46,866	105,122	0	105,122
Airport Bond	4,398	0	37,590	37,590	4,398	0	4,398
Water Loan	0	0	119,466	119,466	0	0	0
Wastewater Loan	0	0	282,041	282,041	0	0	0
Debt Service Bond	0	0	109,674	109,674	0	0	0
Capital Project Funds							
CDBG Electric Grant	0	0	597,890	597,890	0	0	0
Street Project	30,032	0	815,225	845,257	0	0	0
Business Funds							
Electric	1,390,795	0	3,389,695	3,589,369	1,191,121	147,178	1,338,299
Electric Deposits	0	0	29,170	29,170	0	77,785	77,785
Electric Replacement Reserve	206,885	0	103,252	21,493	288,644	0	288,644
Refuse	484,179	0	349,563	583,463	250,279	5,805	256,084

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

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

STATEMENT 1  
Page 2

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds (Continued)							
Refuse Replacement Reserve	\$ 97,990	0	12,600	0	110,590	0	110,590
Water	621,907	0	864,834	1,053,476	433,265	4,838	438,103
Water Deposits	0	0	8,448	8,448	0	22,868	22,868
Water Replacement Reserve	58,059	0	10,200	54,473	13,786	0	13,786
Sewer Service	470,639	0	596,591	756,580	310,650	2,209	312,859
Sewer Replacement Reserve	98,717	0	10,200	0	108,917	0	108,917
Trust Funds							
Revolving Loan	253,643	0	3,388	0	257,031	0	257,031
Total Primary Government	5,662,561	0	10,793,315	11,297,312	5,158,564	330,759	5,489,323
Related Municipal Entities:							
Norton Public Library							
General	33,538	0	167,422	174,939	26,021	0	26,021
State Grant	0	0	790	783	7	0	7
Friends	1,993	0	444	1,030	1,407	0	1,407
Art Club	1,256	0	13	537	732	0	732
Special Project and Donation	45,727	0	7,000	0	52,727	0	52,727
Northwest Kansas Library System Grant	10	0	5,500	5,510	0	0	0
Capital Improvement	20,362	0	0	0	20,362	0	20,362
Public Building Commission							
Pool Bond & Interest Reserve	346,118	0	424,574	316,813	453,879	0	453,879
Pool Capital Project	5,000	0	0	5,000	0	0	0
Total Related Municipal Entities	454,004	0	605,743	504,612	555,135	0	555,135
Total Reporting Entity (Excluding Agency Funds)	\$ <u>6,116,565</u>	<u>0</u>	<u>11,399,058</u>	<u>11,801,924</u>	<u>5,713,699</u>	<u>330,759</u>	<u>6,044,458</u>

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

**CITY OF NORTON, KANSAS**  
Composition of Cash  
Regulatory Basis  
For the Year Ended December 31, 2019

STATEMENT 1  
Page 3

Primary Government:	
Cash on Hand	\$ 100
Solutions North Bank, Norton, Kansas	
Certificates of Deposit	595,000
First State Bank, Norton, Kansas	
NOW Accounts	4,371,506
Money Market Accounts	257,031
Checking Accounts	14,904
Certificates of Deposit	0
The Bank, Norton, Kansas	
NOW Accounts	272,396
Checking Accounts	<u>2,000</u>
Total Cash and Investments	5,512,937
Less: Agency Funds - Schedule 3	<u>(23,614)</u>
Total Primary Government	<u>5,489,323</u>
Related Municipal Entities:	
Norton Public Library Board	
Solutions North Bank, Norton, Kansas	
NOW Account	90,883
First State Bank, Norton, Kansas	
Certificate of Deposit	10,373
Public Building Commission	
First State Bank, Norton, Kansas	
Money Market Account	<u>453,879</u>
Total Related Municipal Entities	<u>555,135</u>
Total Reporting Entity per Statement 1, Page 2	\$ <u><b>6,044,458</b></u>

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



# **CITY OF NORTON, KANSAS**

## **Notes to the Financial Statement**

December 31, 2019

### **1. Summary of Significant Accounting Policies**

#### Municipal Financial Reporting Entity

The City of Norton, Kansas is a municipal corporation governed by an elected seven-member council. It was incorporated on September 12, 1885, and operates as a second-class city in accordance with the laws of the State of Kansas. The City operates under a mayor-council form of government and provides the following services: public safety (police and fire protection), highways and streets, electricity, water, sewer, sanitation, social, culture and recreation, planning and zoning, public improvements, and general administrative services. This financial statement presents the City of Norton, Kansas (the municipality) and its related municipal entities. The related municipal entities are included in the city's reporting entity because they were established to benefit the city and/or its constituents.

Norton Public Library. The Norton Public Library operates a municipal public library for the City of Norton. A seven-member board of trustees is appointed by the City Council to oversee the operation. The City annually levies a tax for the operation of the Library and also provides the facilities. The City can also issue bonded debt for the benefit of the Library. The Library Board must obtain the approval for the acquisition or disposal of real property from the City Council.

Public Building Commission. The City of Norton Public Building Commission Board operates the Public Building Commission for the purpose of providing additional and alternative methods for financing certain public buildings. The City levies taxes for the Public Building Commission. Bond issuances must be approved by the City. Complete financial records for the Public Building Commission may be reviewed at the City offices.

#### Regulatory Basis Fund Types

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

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

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

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

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

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.)

### Basis of Accounting

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

### 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 adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments 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, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds and the following funds:

Special Purpose Funds:

Special Health Insurance  
Animal Pound Donation  
Cemetery Donation  
Police Forfeiture  
City Land Bank  
Equipment Reserve  
Capital Improvement

Bond and Interest Funds:

Water Loan  
Wastewater Loan  
Debt Service Bond

Business Funds:

Electric Replacement Reserve  
Electric Deposits  
Refuse Replacement Reserve  
Water Replacement Reserve  
Water Deposits  
Sewer Replacement Reserve

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

2. **Stewardship, Compliance and Accountability**

No statute violations were noted during 2019.

3. **Deposits and Investments**

K.S.A. 9-1401 establishes the depositories which may be used by the City, Library, and Public Building Commission. The statute requires banks eligible to hold the municipality's funds have a main or branch bank in the county in which the municipality 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, Library, and Public Building Commission have no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's, Library's, and Public Building Commission'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, Library, and Public Building Commission have no investment policy that would further limit their investment choices.

*Concentration of Credit Risk.* State statutes place no limit on the amount the City, the Library, and the Public Building Commission may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's, Library's, and Public Building Commission's deposits may not be returned to them. State statutes require the City's, Library's, and Public Building Commission'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, Library, and Public Building Commission have not designated any “peak periods” with eligible depositories. All deposits were legally secured at December 31, 2019.

At December 31, 2019, the City’s carrying amount of deposits was \$5,512,837 and the bank balance was \$5,540,912. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$766,940 was covered by federal depository insurance, and \$4,773,972 was collateralized with securities held by the pledging financial institutions’ agents in the City’s name.

At December 31, 2019, the Library’s carrying amount of deposits was \$101,237 and the bank balance was \$112,279. The bank balance was held by two banks resulting in a concentration of credit risk. All of the bank balance was covered by federal depository insurance.

At December 31, 2019, the Public Building Commission’s carrying amount of deposits was \$453,879 and the bank balance was \$453,879. 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 \$203,879 was collateralized with securities held by the pledging financial institutions’ agents in the Commission’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 Municipality 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, 2019, the City, Library and Public Building Commission held no investments except for certificates of deposit which are considered as a component of deposits.

#### 4. **Defined Benefit Pension Plan**

*Plan Description* The City of Norton participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS’ financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, Kansas 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 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89% for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City of Norton were \$141,472 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 \$1,174,338. 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 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 these financial statements.

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.

5. Other Long-Term Obligations from Operations

*Other Post Employment Benefits.* As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level 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.

*Death and Disability Other Post Employment Benefits.* As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2019.

Compensated AbsencesCity of Norton

*Vacation Leave.* Each full-time City employee with less than five years of service shall earn eight hours of vacation per month; over five years and less than ten years of service shall earn ten hours of vacation per month; over ten years and less than fifteen years of service shall earn twelve hours of vacation per month; over fifteen years and less than twenty years of service shall earn fourteen hours of vacation per month; and over twenty years of service shall earn sixteen hours of vacation per month. Each employee shall be allowed to carry over a vacation leave balance at the end of the calendar year equal to the annualized accrual for the employee's length of service as of the last day of the year. Annualized accrual shall be determined by multiplying the employee's monthly credit for the last month of the current year times twelve.

*Sick Leave.* Full-time City employees earn eight hours of sick leave for each calendar month worked. An employee may accumulate unlimited sick leave. Upon retirement, an employee will be paid a maximum of nine hundred sixty (960) hours sick leave. Other employees terminating voluntarily will be paid for one-half of their unused sick leave up to four hundred eighty (480) hours.

*Comp Time.* The City's employees eligible to receive overtime have the option to be compensated for overtime by accumulating compensatory time, comp time, at a rate of one and one-half times the overtime worked. Non-exempt police officers may accumulate up to 480 hours of comp time. All other employees may accumulate up to 240 hours.

Norton Public Library

*Vacation.* All full time Library employees earn vacation of five days after completion of the first calendar year of employment. After three calendar years, ten days of vacation are earned each year. After ten calendar years, fifteen days of vacation are earned each year. After twenty calendar years, twenty days of vacation are earned. Vacation time is not allowed to accumulate and any unused time is forfeited.

*Sick Leave.* All full time employees earn sick leave at the rate of one day per month and can accumulate to fifteen days. Unused sick leave at the time of termination of employment due to death, retirement, medical disability or to a family transfer out of the community will be paid at one-fourth of the dollar value of the employee's accumulated sick leave days.

6. Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
CDBG Electric Grant	987,446	987,446
Street Project	820,124	820,124

7. Operating Lease

The City entered into a lease agreement, dated February 21, 2013 with the Public Building Commission, a related municipal entity of the City, to lease the swimming pool facility. The agreement states that the City will, during the term of the lease, keep and maintain the swimming pool facility and all parts in good condition and repair. The lease agreement provides for semi-annual lease payments. The City has imposed a ¼ percent city-wide retailer's sales tax to cover these payments.

8. Interfund Transactions

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Equipment Reserve	K.S.A. 12-1,117	\$ 20,000
Electric	Electric Replacement	K.S.A. 12-825d	102,000
Electric	CDBG Electric Grant	K.S.A. 12-825d	318,770
Electric	Equipment Reserve	K.S.A. 12-825d	25,000
Electric	Capital Improvement	K.S.A. 12-825d	25,000
Water	Water Loan	K.S.A. 12-825d	119,466
Water	Water Replacement	K.S.A. 12-825d	10,200
Water	Debt Service Bond	K.S.A. 12-825d	109,674
Water	Equipment Reserve	K.S.A. 12-825d	10,000
Water	Equipment Reserve	K.S.A. 12-825d	10,000
Sewer	Wastewater Loan	K.S.A. 12-825d	282,041
Sewer	Sewer Replacement Reserve	K.S.A. 12-825d	10,200
Sewer	Equipment Reserve	K.S.A. 12-825d	12,500
Sewer	Capital Improvement	K.S.A. 12-825d	12,500
Refuse	Refuse Replacement	K.S.A. 12-825d	12,600
Refuse	Equipment Reserve	K.S.A. 12-825d	25,000
Refuse	Capital Improvement	K.S.A. 12-825d	25,000

Residual Equity transfers were as follows:

		Regulatory	
From	To	Authority	Amount
Street Project	Bond and Interest	K.S.A. 12-6a16	\$16,937

9. **Risk Management**

The City, Library, and Public Building Commission are 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 for which the City, Library and Public Building Commission purchase commercial insurance. During the year ended December 31, 2019, neither the City, the Library, nor the Public Building Commission reduced insurance coverage from levels in place during the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

10. **Claims and Judgments**

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect of any of the individual government funds or the overall financial position of the City. During the ordinary course of its operations the City is a party to various claims, legal actions, and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

11. **Special Items**

*Revolving Loan Fund.* The City of Norton received a \$106,100 grant from the Kansas Small Cities Program Community Development Block Grant in 1988 for the purpose of establishing a Revolving Loan Fund to provide loans to businesses in and around the City of Norton for which the loan proceeds would result in the creation and/or retention of jobs. Norton Development Corporation administers this fund under the supervision of the City Council. The balance of the outstanding loans as of December 31, 2019 was \$17,525.

12. **Subsequent Events**

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued. On March 11, 2020, the Novel Coronavirus Disease, COVID-19, was declared a pandemic by the World Health Organization. On March 13, 2020, a national emergency was declared in the United States concerning the COVID-19 Outbreak. The extent of the COVID-19 impact on operational and financial conditions will depend on certain developments, including the duration and speed of the outbreak, impact on utility customers, employees, and vendors – all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial conditions or results of operations is uncertain.

**13. Long-term Debt**

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

<b>Issue</b>	<b>Interest Rates</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>	<b>Date of Final Maturity</b>	<b>Balance Beginning of Year</b>	<b>Additions</b>	<b>Reductions/ Payments</b>	<b>Balance End of Year</b>	<b>Interest Paid</b>
General Obligation Bonds:									
Series 2009 Airport Refunding	1.40-4.20%	09/15/09	310,000	10/01/20	65,000	0	35,000	30,000	2,590
Series 2010 Water Supply System Improvements	3.25%	08/12/10	3,234,000	08/17/50	2,870,661	0	52,378	2,818,283	93,296
Series 2019 Street Improvement	2.5-3.75%	04/24/19	815,000	04/01/34	0	815,000	0	815,000	10,866
Total General Obligation Bonds					2,935,661	815,000	87,378	3,663,283	106,752
Capital Leases:									
Pumper Truck	4.48%	08/02/19	340,000	03/01/29	0	340,000	0	340,000	0
Loader	3.13%	05/01/14	90,000	04/30/19	19,109	0	19,109	0	607
Bucket Truck	3.25%	04/19/17	88,000	12/01/21	66,925	0	21,633	45,292	2,145
JCB Backhoe	3.50%	05/03/17	67,500	05/03/17	51,485	0	16,576	34,909	1,802
Total Capital Leases					137,519	340,000	57,318	420,201	4,554
KDHE Revolving Loans:									
Wastewater Project	2.77%	05/10/04	4,300,000	03/01/26	1,898,239	0	231,049	1,667,190	50,992
Water Project	3.62%	06/28/06	6,449,123	08/01/28	953,140	0	85,731	867,409	33,735
Total KDHE Revolving Loans					2,851,379	0	316,780	2,534,599	84,727
Temporary Notes:									
GO Temporary Notes Series 2018	2.05%	05/22/18	735,000	04/01/20	735,000	0	735,000	0	8,538
Total Temporary Notes					735,000	0	735,000	0	8,538
Public Building Commission									
Revenue Bond, Series 2013	.75-4.00%	2/21/2013	4,535,000	08/01/33	3,695,000	0	190,000	3,505,000	126,812
Total Contractual Indebtedness					10,354,559	1,155,000	1,386,476	10,123,083	331,383



13. **Long-term Debt - (Continued)**

Current maturities of long-term debt for the City of Norton, Kansas through maturity are as follows:

	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	2040-2044	2045-2049	2050-2054	Total
<b>PRINCIPAL</b>												
General Obligation Bonds:												
Series 2009 Airport Refunding	30,000	0	0	0	0	0	0	0	0	0	0	30,000
Series 2010 Water Supply System Improvements	53,829	55,829	57,644	59,517	61,221	338,291	396,976	465,841	546,577	641,537	141,021	2,818,283
Series 2019 Street Improvements	40,000	40,000	45,000	45,000	50,000	270,000	325,000	0	0	0	0	815,000
Total General Obligation Bonds	123,829	95,829	102,644	104,517	111,221	608,291	721,976	465,841	546,577	641,537	141,021	3,663,283
Capital Leases:												
Pumper Truck	0	0	0	0	0	0	0	0	0	0	0	0
Loader	33,311	28,419	29,692	31,022	32,385	185,171	0	0	0	0	0	340,000
Bucket Truck	22,301	22,991	0	0	0	0	0	0	0	0	0	45,292
JCB Backhoe	17,153	17,756	0	0	0	0	0	0	0	0	0	34,909
Total Capital Leases	72,765	69,166	29,692	31,022	32,385	185,171	0	0	0	0	0	420,201
KDHE Revolving Loans:												
Wastewater Project	237,493	244,117	250,928	257,926	265,119	411,607	0	0	0	0	0	1,667,190
Water Project	88,863	92,109	95,473	98,960	102,575	389,429	0	0	0	0	0	867,409
Total KDHE Revolving Loans	326,356	336,226	346,401	356,886	367,694	801,036	0	0	0	0	0	2,534,599
Temporary Notes:												
GO Temporary Notes Series 2018	0	0	0	0	0	0	0	0	0	0	0	0
Total Temporary Notes	0	0	0	0	0	0	0	0	0	0	0	0
Public Building Commission												
Revenue Bond, Series 2013	195,000	200,000	210,000	215,000	220,000	1,250,000	1,215,000	0	0	0	0	3,505,000
<b>TOTAL PRINCIPAL</b>	<b>717,950</b>	<b>701,221</b>	<b>688,737</b>	<b>707,425</b>	<b>731,300</b>	<b>2,844,498</b>	<b>1,936,976</b>	<b>465,841</b>	<b>546,577</b>	<b>641,537</b>	<b>141,021</b>	<b>10,123,083</b>
<b>INTEREST</b>												
General Obligation Bonds:												
Series 2009 Airport Refunding	1,260	0	0	0	0	0	0	0	0	0	0	1,260
Series 2010 Water Supply System Improvements	91,594	89,545	88,030	86,157	84,223	389,872	331,213	262,377	181,595	86,798	4,583	1,695,987
Series 2019 Street Improvements	24,915	23,415	21,915	20,340	18,765	72,915	30,655	0	0	0	0	212,920
Total General Obligation Bonds	117,769	112,960	109,945	106,497	102,988	462,787	361,868	262,377	181,595	86,798	4,583	1,910,167
Capital Leases:												
Pumper Truck	8,847	13,740	12,466	11,136	9,773	25,624	0	0	0	0	0	81,586
Loader	0	0	0	0	0	0	0	0	0	0	0	0
Bucket Truck	1,477	748	0	0	0	0	0	0	0	0	0	2,225
JCB Backhoe	1,225	621	0	0	0	0	0	0	0	0	0	1,846
Total General Obligation Bonds	11,549	15,109	12,466	11,136	9,773	25,624	0	0	0	0	0	85,657
KDHE Revolving Loans:												
Wastewater Project	44,549	37,924	31,114	24,116	16,922	11,454	0	0	0	0	0	166,079
Water Project	30,603	27,357	23,992	20,505	16,891	28,701	0	0	0	0	0	148,049
Total KDHE Revolving Loans	75,152	65,281	55,106	44,621	33,813	40,155	0	0	0	0	0	314,128
Temporary Notes:												
Water Project	0	0	0	0	0	0	0	0	0	0	0	0
Total Temporary Notes	0	0	0	0	0	0	0	0	0	0	0	0
Public Building Commission												
Revenue Bond, Series 2013	123,012	118,626	113,625	107,850	101,400	380,900	124,200	0	0	0	0	1,069,613
<b>TOTAL INTEREST</b>	<b>327,482</b>	<b>311,976</b>	<b>291,142</b>	<b>270,104</b>	<b>247,974</b>	<b>909,466</b>	<b>486,068</b>	<b>262,377</b>	<b>181,595</b>	<b>86,798</b>	<b>4,583</b>	<b>3,379,565</b>
<b>TOTAL PRINCIPAL AND INTEREST</b>	<b>\$ 1,045,432</b>	<b>1,013,197</b>	<b>979,879</b>	<b>977,529</b>	<b>979,274</b>	<b>3,753,964</b>	<b>2,423,044</b>	<b>728,218</b>	<b>728,172</b>	<b>728,335</b>	<b>145,604</b>	<b>13,502,648</b>

CITY OF NORTON, KANSAS  
REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2019

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

SCHEDULE 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Funds					
General	\$ 2,001,209	49,007	2,050,216	1,676,116	(374,100)
Special Purpose Funds					
Employee Benefits	182,000	0	182,000	131,065	(50,935)
Special Highway	277,336	63,215	340,551	38,979	(301,572)
Special Parks	43,090	0	43,090	675	(42,415)
Industrial Development	119,789	0	119,789	0	(119,789)
Tourism and Convention	50,000	0	50,000	41,203	(8,797)
Library	112,923	0	112,923	112,923	0
Library Employee Benefits	35,840	0	35,840	35,840	0
Special Health Insurance	781,699	0	781,699	607,705	*
Bond and Interest Funds					
Bond and Interest	71,000	0	71,000	46,866	(24,134)
Airport Bond	41,988	0	41,988	37,590	(4,398)
Special Pool Sales Tax	842,992	0	842,992	454,554	(388,438)
Business Funds					
Electric	4,551,328	3,003	4,554,331	3,589,369	(964,962)
Electric Deposits	97,288	0	97,288	29,170	*
Refuse	794,659	308	794,967	583,463	(211,504)
Water	1,766,674	0	1,766,674	1,053,476	(713,198)
Water Deposits	28,762	0	28,762	8,448	*
Sewer Service	1,079,811	216	1,080,027	756,580	(323,447)
Trust Funds					
Revolving Loan	30,000	0	30,000	0	*

\* Exempt from the Budget Law

**CITY OF NORTON, KANSAS**  
**GENERAL FUND**

SCHEDULE 2

Page 1

Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

	Actual	Budget	Variance Over (Under)
Receipts:			
Taxes:			
Ad Valorem Property	\$ 584,166	598,760	(14,594)
Delinquent	14,215	0	14,215
Motor Vehicle	103,439	95,024	8,415
Recreational Vehicle	1,602	1,521	81
16/20M Vehicle	1,152	1,274	(122)
Watercraft	524	1,313	(789)
Commerical Vehicle	2,627	3,176	(549)
In Lieu of Taxes (IRB)	0	7,000	(7,000)
Intergovernmental:			
County/City Sales Tax	444,667	440,000	4,667
Local Alcoholic Liquor Tax	6,009	5,030	979
Licenses, Fees, Fines and Permits:			
Court Fees and Fines	59,693	46,000	13,693
Franchise Fees	228,482	226,000	2,482
Licenses and Permits	9,584	7,150	2,434
Charges for Services:			
Cemetery	19,750	12,000	7,750
Kennel Charges	0	200	(200)
Swimming Pool	38,880	40,000	(1,120)
Other:			
Interest on Idle Funds	40,435	30,000	10,435
Rent	15,093	14,500	593
Miscellaneous	1,790	1,000	790
Refunds	27,381	2,000	25,381
Reimbursed Expenses	51,007	2,000	49,007
Insurance Proceeds	100	0	100
Photo Copy Receipts	89	100	(11)
County Payment for Inmate Crew	36,611	20,000	16,611
County Payment for Rescue Services	10,000	10,000	0
Sale of City Property	3,798	500	3,298
Reimbursement from Special Pool Sales Tax	41,233	40,000	1,233
Total Receipts	<u>1,742,327</u>	<u><b>1,604,548</b></u>	<u><b>137,779</b></u>

(Continued)

**CITY OF NORTON, KANSAS**  
**GENERAL FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 2

	Actual	Budget	Variance Over (Under)
(Continued)			
Expenditures:			
Finance and Administration:			
Personal Services	\$ 57,239	70,200	(12,961)
Contractual Services	118,631	241,689	(123,058)
Commodities	4,417	12,000	(7,583)
Transfer to Equip. Reserve Fund	20,000	10,000	10,000
Capital Outlay	<u>0</u>	<u>105,583</u>	<u>(105,583)</u>
Total Finance and Administration	<u>200,287</u>	<u>439,472</u>	<u>(239,185)</u>
Police:			
Personal Services	443,551	413,840	29,711
Contractual Services	166,446	159,000	7,446
Commodities	83,789	25,500	58,289
Capital Outlay	<u>23,648</u>	<u>26,000</u>	<u>(2,352)</u>
Total Police	<u>717,434</u>	<u>624,340</u>	<u>93,094</u>
Fire:			
Personal Services	26,243	32,000	(5,757)
Contractual Services	54,429	20,700	33,729
Commodities	6,123	29,200	(23,077)
Capital Outlay	<u>61,816</u>	<u>82,320</u>	<u>(20,504)</u>
Total Fire	<u>148,611</u>	<u>164,220</u>	<u>(15,609)</u>
Rescue:			
Personal Services	2,190	0	2,190
Contractual Services	428	0	428
Commodities	<u>307</u>	<u>0</u>	<u>307</u>
Total Rescue	<u>2,925</u>	<u>0</u>	<u>2,925</u>
Street and Alley:			
Personal Services	110,525	144,490	(33,965)
Contractual Services	21,915	48,350	(26,435)
Commodities	34,323	43,500	(9,177)
Capital Outlay	<u>0</u>	<u>99,250</u>	<u>(99,250)</u>
Total Street and Alley	<u>166,763</u>	<u>335,590</u>	<u>(168,827)</u>

(Continued)

**CITY OF NORTON, KANSAS**  
**GENERAL FUND**

SCHEDULE 2  
Page 3

Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

	Actual	Budget	Variance Over (Under)
(Continued)			
Expenditures:			
Park:			
Personal Services	166,797	202,600	(35,803)
Contractual Services	26,482	34,350	(7,868)
Commodities	21,274	30,800	(9,526)
Capital Outlay	<u>2,473</u>	<u>22,000</u>	<u>(19,527)</u>
Total Park	<u>217,026</u>	<u>289,750</u>	<u>(72,724)</u>
Swimming Pool:			
Personal Services	44,180	58,000	(13,820)
Contractual Services	5,819	8,450	(2,631)
Commodities	30,065	32,100	(2,035)
Capital Outlay	<u>0</u>	<u>10,000</u>	<u>(10,000)</u>
Total Swimming Pool	<u>80,064</u>	<u>108,550</u>	<u>(28,486)</u>
Civic Building:			
Contractual Services	20,630	22,650	(2,020)
Commodities	<u>10,555</u>	<u>16,637</u>	<u>(6,082)</u>
Total Civic Building	<u>31,185</u>	<u>39,287</u>	<u>(8,102)</u>
Economic Development Appropriations	55,732	0	55,732
Airport Appropriations	<u>56,089</u>	<u>0</u>	<u>56,089</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>49,007</u>	<u>(49,007)</u>
Total Expenditures	<u>1,676,116</u>	<u><b>2,050,216</b></u>	<u><b>(374,100)</b></u>
Receipts Over (Under) Expenditures	66,211		
Unencumbered Cash, Beginning	<u>681,898</u>		
Unencumbered Cash, Ending	\$ <u><b>748,109</b></u>		

**CITY OF NORTON, KANSAS**  
**EMPLOYEE BENEFITS FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 4

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes:			
Ad Valorem Property	\$ 87,058	89,284	(2,226)
Delinquent	3,073	0	3,073
Motor Vehicle	20,819	17,835	2,984
Recreational Vehicle	321	285	36
16/20M Vehicle	351	239	112
Watercraft	100	246	(146)
Commerical Vehicle	494	596	(102)
Miscellaneous	<u>1,600</u>	<u>0</u>	<u>1,600</u>
Total Receipts	<u>113,816</u>	<u>108,485</u>	<u>5,331</u>
Expenditures:			
Personal Services	<u>131,065</u>	<u>182,000</u>	<u>(50,935)</u>
Receipts Over (Under) Expenditures	(17,249)		
Unencumbered Cash, Beginning	<u>102,645</u>		
Unencumbered Cash, Ending	\$ <u>85,396</u>		

**CITY OF NORTON, KANSAS**  
**SPECIAL HIGHWAY FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 5

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Intergovernmental:			
State Gas Tax	\$ 75,910	76,240	(330)
Special Street Assessment	32,885	1,000	31,885
Reimbursed Expense	<u>63,215</u>	<u>0</u>	<u>63,215</u>
Total Receipts	<u>172,010</u>	<u><b>77,240</b></u>	<u><b>94,770</b></u>
Expenditures:			
Personal Services	4,500	5,400	(900)
Contractual Services	109	0	109
Commodities	29,759	38,500	(8,741)
Capital Outlay	<u>4,611</u>	<u>238,836</u>	<u>(234,225)</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>63,215</u>	<u>(63,215)</u>
Total Expenditures	<u>38,979</u>	<u><b>340,551</b></u>	<u><b>(306,181)</b></u>
Receipts Over (Under) Expenditures	133,031		
Unencumbered Cash, Beginning	<u>149,901</u>		
Unencumbered Cash, Ending	\$ <u><b>282,932</b></u>		



**CITY OF NORTON, KANSAS**  
**SPECIAL PARKS FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 6

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Intergovernmental:			
Local Alcoholic Liquor Tax	\$ 6,009	5,030	979
Head Tax	0	500	(500)
Donations	<u>7,200</u>	<u>6,000</u>	<u>1,200</u>
Total Receipts	<u>13,209</u>	<u><b>11,530</b></u>	<u><b>1,679</b></u>
Expenditures:			
Commodities	400	0	400
Contractual Services	0	2,500	(2,500)
Capital Outlay	<u>275</u>	<u>40,590</u>	<u>(40,315)</u>
Total Expenditures	<u>675</u>	<u><b>43,090</b></u>	<u><b>(42,415)</b></u>
Receipts Over (Under) Expenditures	12,534		
Unencumbered Cash, Beginning	<u>33,437</u>		
Unencumbered Cash, Ending	\$ <u><b>45,971</b></u>		

**CITY OF NORTON, KANSAS**  
**INDUSTRIAL DEVELOPMENT FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 7

	Actual	Budget	Variance Over (Under)
Receipts:			
Taxes:			
Ad Valorem Property	\$ 13,264	13,595	(331)
Delinquent	346	0	346
Motor Vehicle	2,463	2,237	226
Recreational Vehicle	38	36	2
16/20M Vehicle	30	30	0
Watercraft	12	31	(19)
Commerical Vehicle	62	75	(13)
Interest on Idle Funds	643	800	(157)
Total Receipts	<u>16,858</u>	<u><b>16,804</b></u>	<u><b>54</b></u>
Expenditures:			
Public Improvements	<u>0</u>	<u><b>119,789</b></u>	<u><b>(119,789)</b></u>
Receipts Over (Under) Expenditures	16,858		
Unencumbered Cash, Beginning	<u>103,966</u>		
Unencumbered Cash, Ending	<u><b>\$ 120,824</b></u>		

**CITY OF NORTON, KANSAS**  
**TOURISM AND CONVENTION FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 8

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Intergovernmental:			
Transient Guest Tax	\$ 41,203	<u>50,000</u>	<u>(8,797)</u>
Expenditures:			
Contractual Services	41,203	<u>50,000</u>	<u>(8,797)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

## CITY OF NORTON, KANSAS

SCHEDULE 2

## LIBRARY FUND

Page 9

Schedule of Receipts and Expenditures- Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2019

	Actual	Budget	Variance Over (Under)
Receipts:			
Taxes:			
Ad Valorem Property	\$ 92,978	95,329	(2,351)
Delinquent	2,504	0	2,504
Motor Vehicle	17,941	16,342	1,599
Recreational Vehicle	278	261	17
16/20M Vehicle	213	219	(6)
Watercraft	90	226	(136)
Commercial Vehicle	<u>452</u>	<u>546</u>	<u>(94)</u>
Total Receipts	<u>114,456</u>	<u>112,923</u>	<u>1,533</u>
Expenditures:			
Appropriations	<u>112,923</u>	<u>112,923</u>	<u>0</u>
Total Expenditures	<u>112,923</u>	<u>112,923</u>	<u>0</u>
Receipts Over (Under) Expenditures	1,533		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>1,533</u></u>		

**CITY OF NORTON, KANSAS**  
**LIBRARY EMPLOYEE BENEFITS FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 10

	Actual	Budget	Variance Over (Under)
Receipts:			
Taxes:			
Ad Valorem Property	\$ 29,442	30,193	(751)
Delinquent	789	0	789
Motor Vehicle	5,724	5,246	478
Recreational Vehicle	89	84	5
16/20M Vehicle	65	70	(5)
Watercraft	29	72	(43)
Commercial Vehicle	145	175	(30)
Total Receipts	<u>36,283</u>	<u><b>35,840</b></u>	<u><b>443</b></u>
Expenditures:			
Appropriations	<u>35,840</u>	<u><b>35,840</b></u>	<u><b>0</b></u>
Receipts Over (Under) Expenditures	443		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><b>443</b></u>		

**CITY OF NORTON, KANSAS**  
**SPECIAL HEALTH INSURANCE FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 11

	Actual	*Budget	Variance Over (Under)
Receipts:			
Interest on Idle Funds	\$ 763	1,200	(437)
Reimbursed Expenses	<u>566,762</u>	<u>670,080</u>	<u>(103,318)</u>
Total Receipts	<u>567,525</u>	<u>671,280</u>	<u>(103,755)</u>
Expenditures:			
Personal Services	607,705	781,699	(173,994)
Contractual	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>607,705</u>	<u>781,699</u>	<u>(173,994)</u>
Receipts Over (Under) Expenditures	(40,180)		
Unencumbered Cash, Beginning	<u>137,849</u>		
Unencumbered Cash, Ending	\$ <u><u>97,669</u></u>		

\*Exempt from the Budget Law K.S.A. 12-2615

**CITY OF NORTON, KANSAS**  
**SPECIAL POOL SALES TAX**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 12

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Sales Tax	\$ 387,370	<u>400,000</u>	<u>(12,630)</u>
Expenditures:			
Principal	0	190,000	(190,000)
Interest	0	126,813	(126,813)
Lease Payment	413,321	0	413,321
Cash Basis Reserve	0	486,179	(486,179)
Reimbursement to General	<u>41,233</u>	<u>40,000</u>	<u>1,233</u>
Total Expenditures	<u>454,554</u>	<u>842,992</u>	<u>(388,438)</u>
Receipts Over (Under) Expenditures	(67,184)		
Unencumbered Cash, Beginning	<u>463,724</u>		
Unencumbered Cash, Ending	\$ <u>396,540</u>		

**CITY OF NORTON, KANSAS**  
**BOND AND INTEREST FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 13

	Actual	Budget	Variance Over (Under)
Receipts:			
Taxes:			
Ad Valorem Property	\$ 54,475	55,844	(1,369)
Delinquent	1,428	0	1,428
Motor Vehicle	10,009	9,029	980
Recreational Vehicle	155	144	11
16/20M Vehicle	127	121	6
Watercraft	50	125	(75)
Commercial Vehicle	250	302	(52)
Residual Equity Transfer from Street Project	16,937	0	16,937
Total Receipts	<u>83,431</u>	<u><b>65,565</b></u>	<u><b>17,866</b></u>
Expenditures:			
Principal	36,000	60,000	(24,000)
Interest	10,866	3,000	7,866
Cash Basis Reserve	0	8,000	(8,000)
Total Expenditures	<u>46,866</u>	<u><b>71,000</b></u>	<u><b>(24,134)</b></u>
Receipts Over (Under) Expenditures	36,565		
Unencumbered Cash, Beginning	<u>68,557</u>		
Unencumbered Cash, Ending	\$ <u><u><b>105,122</b></u></u>		



**CITY OF NORTON, KANSAS**  
**AIRPORT BOND FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 14

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Norton City/County Airport Board	\$ <u>37,590</u>	<u>37,590</u>	<u>0</u>
Total Receipts	<u>37,590</u>	<u>37,590</u>	<u>0</u>
Expenditures:			
Principal	35,000	35,000	0
Interest	2,590	2,590	0
Cash Basis Reserve	<u>0</u>	<u>4,398</u>	<u>(4,398)</u>
Total Expenditures	<u>37,590</u>	<u><b>41,988</b></u>	<u><b>(4,398)</b></u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>4,398</u>		
Unencumbered Cash, Ending	\$ <u><u><b>4,398</b></u></u>		

## CITY OF NORTON, KANSAS

## SCHEDULE 2

## ELECTRIC FUND

Page 15

Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2019

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	\$ 3,360,129	3,594,626	(234,497)
Miscellaneous	13,685	6,000	7,685
Refunds	0	5,000	(5,000)
Reimbursed Expenses	8,003	5,000	3,003
Sales of City Property	<u>7,878</u>	<u>5,000</u>	<u>2,878</u>
Total Receipts	<u>3,389,695</u>	<u>3,615,626</u>	<u>(225,931)</u>
Expenditures:			
General and Administrative:			
Personal Services	603,928	689,490	(85,562)
Contractual Services	171,161	227,700	(56,539)
Commodities	7,288	17,250	(9,962)
Capital Outlay	<u>2,574</u>	<u>36,000</u>	<u>(33,426)</u>
Total General and Administrative	<u>784,951</u>	<u>970,440</u>	<u>(185,489)</u>
Production and Acquisitions:			
Personal Services	51,299	61,390	(10,091)
Contractual Services	14,986	24,050	(9,064)
Commodities	1,970,248	481,550	1,488,698
Capital Outlay	<u>0</u>	<u>2,300,000</u>	<u>(2,300,000)</u>
Total Production and Acquisitions	<u>2,036,533</u>	<u>2,866,990</u>	<u>(830,457)</u>
Transmission and Distribution:			
Personal Services	136,094	152,800	(16,706)
Contractual Services	42,883	36,820	6,063
Commodities	41,629	43,500	(1,871)
Capital Outlay	<u>76,509</u>	<u>338,778</u>	<u>(262,269)</u>
Total Transmission and Distribution	<u>297,115</u>	<u>571,898</u>	<u>(274,783)</u>
Transfers:			
To Electric Replacement Reserve	102,000	102,000	0
To CDBG Electric Project	318,770	0	318,770
To Equipment Reserve	25,000	20,000	5,000
To Capital Improvement	<u>25,000</u>	<u>20,000</u>	<u>5,000</u>
Total Transfers	<u>470,770</u>	<u>142,000</u>	<u>328,770</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>3,003</u>	<u>(3,003)</u>
Total Expenditures	<u>3,589,369</u>	<u>4,554,331</u>	<u>(964,962)</u>
Receipts Over (Under) Expenditures	(199,674)		
Unencumbered Cash, Beginning	<u>1,390,795</u>		
Unencumbered Cash, Ending	\$ <u>1,191,121</u>		

**CITY OF NORTON, KANSAS**  
**ELECTRIC DEPOSITS FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 16

	<u>Actual</u>	<u>*Budget</u>	Variance Over (Under)
Receipts:			
Consumer Deposits	\$ 29,170	<u>25,000</u>	<u>4,170</u>
Expenditures:			
Deposit Refunds	<u>29,170</u>	<u>97,288</u>	<u>(68,118)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

\* Exempt from Budget Law K.S.A. 12-822.

## CITY OF NORTON, KANSAS

## SCHEDULE 2

## REFUSE FUND

Page 17

Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2019

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	\$ 347,713	350,000	(2,287)
Miscellaneous	1,042	1,000	42
Reimbursed Expenses	<u>808</u>	<u>500</u>	<u>308</u>
Total Receipts	<u>349,563</u>	<u>351,500</u>	<u>(1,937)</u>
Expenditures:			
Personal Services	174,927	190,520	(15,593)
Contractual Services	94,615	98,200	(3,585)
Commodities	14,839	16,000	(1,161)
Capital Outlay	236,482	417,339	(180,857)
Transfers:			
To Refuse Replacement Reserve	12,600	12,600	0
To Equipment Reserve	25,000	25,000	0
To Capital Improvement	<u>25,000</u>	<u>35,000</u>	<u>(10,000)</u>
Total Transfers	<u>62,600</u>	<u>72,600</u>	<u>(10,000)</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>308</u>	<u>(308)</u>
Total Expenditures	<u>583,463</u>	<u>794,967</u>	<u>(221,504)</u>
Receipts Over (Under) Expenditures	(233,900)		
Unencumbered Cash, Beginning	<u>484,179</u>		
Unencumbered Cash, Ending	\$ <u>250,279</u>		

**CITY OF NORTON, KANSAS**  
**WATER FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 18

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	\$ 853,325	1,133,500	(280,175)
Miscellaneous	7,787	1,500	6,287
Water Tap	1,500	0	1,500
Reimbursed Expenses	2,222	3,000	(778)
Rent	0	4,500	(4,500)
Total Receipts	<u>864,834</u>	<u>1,142,500</u>	<u>(277,666)</u>
Expenditures:			
General and Administrative:			
Personal Services	129,893	131,280	(1,387)
Contractual Services	32,154	51,100	(18,946)
Commodities	533	8,000	(7,467)
Total General and Administrative	<u>162,580</u>	<u>190,380</u>	<u>(27,800)</u>
Production and Treatment:			
Personal Services	96,277	98,500	(2,223)
Contractual Services	200,955	69,300	131,655
Commodities	86,905	318,250	(231,345)
Capital Outlay	0	115,000	(115,000)
Total Production and Treatment	<u>384,137</u>	<u>601,050</u>	<u>(216,913)</u>
Transmission and Distribution:			
Personal Services	100,344	126,000	(25,656)
Contractual Services	17,110	29,100	(11,990)
Commodities	20,882	21,500	(618)
Capital Outlay	109,083	493,303	(384,220)
Total Transmission and Distribution	<u>247,419</u>	<u>669,903</u>	<u>(422,484)</u>
Transfers:			
To Water Replacement Reserve	10,200	10,200	0
To Water Loan	119,466	119,466	0
To Debt Service Bond	109,674	145,675	(36,001)
To Equipment Reserve	10,000	15,000	(5,000)
To Capital Improvement	10,000	15,000	(5,000)
Total Transfers	<u>259,340</u>	<u>305,341</u>	<u>(46,001)</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	0	0	0
Total Expenditures	<u>1,053,476</u>	<u>1,766,674</u>	<u>(713,198)</u>
Receipts Over (Under) Expenditures	(188,642)		
Unencumbered Cash, Beginning	<u>621,907</u>		
Unencumbered Cash, Ending	\$ <u><u>433,265</u></u>		

**CITY OF NORTON, KANSAS**  
**WATER DEPOSITS FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 19

	<u>Actual</u>	<u>*Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Customer Deposits	\$ <u>8,448</u>	<u>7,500</u>	<u>948</u>
Expenditures:			
Deposit Refunds	<u>8,448</u>	<u>28,762</u>	<u>(20,314)</u>
Revenues Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u><u>0</u></u>		

\* Exempt from Budget Law K.S.A. 12-822.

**CITY OF NORTON, KANSAS**  
**SEWER SERVICE FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 20

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	\$ 590,723	620,500	(29,777)
Miscellaneous	5,152	1,000	4,152
Reimbursed Expenses	<u>716</u>	<u>500</u>	<u>216</u>
Total Receipts	<u>596,591</u>	<u>622,000</u>	<u>(25,409)</u>
Expenditures:			
General and Administrative:			
Personal Services	66,199	78,680	(12,481)
Contractual Services	682	3,600	(2,918)
Capital Outlay	<u>0</u>	<u>20,000</u>	<u>(20,000)</u>
Total General and Administrative	<u>66,881</u>	<u>102,280</u>	<u>(35,399)</u>
Sewer Plant:			
Personal Services	100,718	89,190	11,528
Contractual Services	65,480	68,300	(2,820)
Commodities	35,537	20,800	14,737
Capital Outlay	<u>17,727</u>	<u>100,000</u>	<u>(82,273)</u>
Total Sewer Plant	<u>219,462</u>	<u>278,290</u>	<u>(58,828)</u>
Sewer Collections:			
Personal Services	85,810	83,500	2,310
Contractual Services	507	3,000	(2,493)
Commodities	18,707	11,000	7,707
Capital Outlay	<u>47,972</u>	<u>279,500</u>	<u>(231,528)</u>
Total Sewer Collections	<u>152,996</u>	<u>377,000</u>	<u>(224,004)</u>
Transfers:			
To Sewer Replacement Reserve	10,200	10,200	0
To Wastewater Loan	282,041	282,041	0
To Equipment Reserve	12,500	15,000	(2,500)
To Capital Improvement	<u>12,500</u>	<u>15,000</u>	<u>(2,500)</u>
Total Transfers	<u>317,241</u>	<u>322,241</u>	<u>(5,000)</u>
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>216</u>	<u>(216)</u>
Total Expenditures	<u>756,580</u>	<u>1,080,027</u>	<u>(323,447)</u>
Receipts Over (Under) Expenditures	(159,989)		
Unencumbered Cash, Beginning	<u>470,639</u>		
Unencumbered Cash, Ending	\$ <u><u>310,650</u></u>		

**CITY OF NORTON, KANSAS**  
**REVOLVING LOAN FUND**  
Schedule of Receipts and Expenditures- Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 21

	Actual	*Budget	Variance Over (Under)
Receipts:			
Loan Payments Received	\$ 2,748	30,000	(27,252)
Interest on Idle Funds	<u>640</u>	<u>0</u>	<u>640</u>
Total Receipts	<u>3,388</u>	<u>30,000</u>	<u>(26,612)</u>
Expenditures:			
Contractual	0	30,000	(30,000)
Administrative Fees	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>30,000</u>	<u>(30,000)</u>
Receipts Over (Under) Expenditures	3,388		
Unencumbered Cash, Beginning	<u>253,643</u>		
Unencumbered Cash, Ending	\$ <u><u>257,031</u></u>		

\*Exempt from the Budget Law K.S.A. 79-2925



**CITY OF NORTON, KANSAS**  
Any Nonbudgeted Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 22

	<b>Animal Pound Donation</b>	<b>Cemetery Donation</b>	<b>Electric Replacement Reserve</b>	<b>Debt Service Bond</b>	<b>Refuse Replacement Reserve</b>
Receipts:					
Interest on Idle Funds	\$ 0	0	1,252	0	0
Transfer from Electric	0	0	102,000	0	0
Transfer from Water	0	0	0	109,674	0
Transfer from Refuse	0	0	0	0	12,600
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,600</u>
Total Receipts	<u>0</u>	<u>0</u>	<u>103,252</u>	<u>109,674</u>	<u>12,600</u>
Expenditures:					
Principal	0	0	0	16,378	0
Interest	0	0	0	93,296	0
Capital Outlay	0	0	21,493	0	0
	<u>0</u>	<u>0</u>	<u>21,493</u>	<u>109,674</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>21,493</u>	<u>109,674</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0	81,759	0	12,600
Unencumbered Cash, Beginning	<u>71,573</u>	<u>15,998</u>	<u>206,885</u>	<u>0</u>	<u>97,990</u>
Unencumbered Cash, Ending	\$ <u><u>71,573</u></u>	<u><u>15,998</u></u>	<u><u>288,644</u></u>	<u><u>0</u></u>	<u><u>110,590</u></u>

**CITY OF NORTON, KANSAS**  
Any Nonbudgeted Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 23

	<b>Water Replacement Reserve</b>	<b>Water Loan</b>	<b>Police Forfeiture</b>	<b>Sewer Replacement Reserve</b>	<b>City Land Bank</b>
Receipts:					
Transfer from Water	\$ 10,200	119,466	0	0	0
Transfer from Sewer	0	0	0	10,200	0
Total Receipts	10,200	119,466	0	10,200	0
Expenditures:					
Contractual	0	0	0	0	20
Capital Outlay	54,473	0	0	0	0
Loan Principal	0	85,731	0	0	0
Loan Interest	0	33,735	0	0	0
Total Expenditures	54,473	119,466	0	0	20
	\$				
Receipts Over (Under) Expenditures	(44,273)	0	0	10,200	(20)
Unencumbered Cash, Beginning	58,059	0	0	98,717	769
Unencumbered Cash, Ending	13,786	0	0	108,917	749

**CITY OF NORTON, KANSAS**  
Any Nonbudgeted Fund  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
Page 24

	<b>Sewer Wastewater Loan</b>	<b>CDBG Electric Grant</b>	<b>Street Project</b>	<b>Equipment Reserve</b>	<b>Capital Improvement</b>
Receipts:					
Reimbursed Expense	\$ 0	0	225	0	0
Bond Proceeds	0	0	815,000	0	0
Grant Proceeds	0	279,120	0	0	0
Transfer from Electric	0	0	0	25,000	25,000
Transfer from Electric-Local Match	0	318,770	0	0	0
Transfer from General	0	0	0	10,000	10,000
Transfer from Refuse	0	0	0	25,000	25,000
Transfer from Sewer	282,041	0	0	12,500	12,500
Transfer from Water	0	0	0	10,000	10,000
<b>Total Receipts</b>	<b>282,041</b>	<b>597,890</b>	<b>815,225</b>	<b>82,500</b>	<b>82,500</b>
Expenditures:					
Contractual	0	39,707	25,167	0	0
Capital Outlay	0	558,183	0	5,170	57,806
Reimbursement to Special Highway	0	0	59,615	0	0
Residual Equity Transfer to Bond and Interest	0	0	16,937	0	0
Loan Principal	231,049	0	735,000	0	0
Loan Interest	50,992	0	8,538	0	0
<b>Total Expenditures</b>	<b>282,041</b>	<b>597,890</b>	<b>845,257</b>	<b>5,170</b>	<b>57,806</b>
Receipts Over (Under) Expenditures	0	0	(30,032)	77,330	24,694
Unencumbered Cash, Beginning	0	0	30,032	75,000	40,000
<b>Unencumbered Cash, Ending</b>	<b>\$ 0</b>	<b>0</b>	<b>0</b>	<b>152,330</b>	<b>64,694</b>

**CITY OF NORTON, KANSAS**  
Related Municipal Entities  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
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	<b>Norton Public Library</b>		
	<b>General</b>	<b>State Grant</b>	<b>Northwest Kansas Library System Grant</b>
Receipts:			
Appropriation from City	\$ 148,763	0	0
Library Foundation	0	0	0
Grant Proceeds	0	0	5,500
Memorials and Donations	5,138	0	0
Fines and Fees	5,853	0	0
Interest on Idle Funds	477	0	0
Miscellaneous	7,191	0	0
State Aid	0	790	0
<b>Total Receipts</b>	<b>167,422</b>	<b>790</b>	<b>5,500</b>
Expenditures			
Personal Services	132,658	0	4,875
Books and Periodicals	12,745	783	0
Capital Outlay	0	0	0
Contractual Services	6,818	0	0
Equipment Rental	0	0	0
Miscellaneous	2,621	0	625
Postage	110	0	0
Printing & Copying	2,983	0	0
Supplies	6,899	0	10
Technology	8,763	0	0
Utilities	1,342	0	0
Transfer to Art Club	0	0	0
Transfer to Capital Improvement	0	0	0
<b>Total Expenditures</b>	<b>174,939</b>	<b>783</b>	<b>5,510</b>
Receipts Over (Under) Expenditures	(7,517)	7	(10)
Unencumbered Cash, Beginning	33,538	0	10
<b>Unencumbered Cash, Ending</b>	<b>\$ 26,021</b>	<b>7</b>	<b>0</b>

**CITY OF NORTON, KANSAS**  
Related Municipal Entities  
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For the Year Ended December 31, 2019

SCHEDULE 2  
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	<b>Norton Public Library</b>			
	<b>Friends</b>	<b>Art Club</b>	<b>Special Project and Donation</b>	<b>Capital Improvement</b>
Receipts:				
Fees	\$ 0	0	0	0
Interest on Idle Funds	0	0	0	0
Donations	444	0	7,000	0
Miscellaneous	0	13	0	0
Transfer from General	0	0	0	0
<b>Total Receipts</b>	<b>444</b>	<b>13</b>	<b>7,000</b>	<b>0</b>
Expenditures				
Capital Outlay	0	0	0	0
Books, Subscriptions, and Reference	0	0	0	0
Other	530	366	0	0
Supplies	500	171	0	0
Transfer to General	0	0	0	0
<b>Total Expenditures</b>	<b>1,030</b>	<b>537</b>	<b>0</b>	<b>0</b>
Receipts Over (Under) Expenditures	(586)	(524)	7,000	0
Unencumbered Cash, Beginning	1,993	1,256	45,727	20,362
<b>Unencumbered Cash, Ending</b>	<b>\$ 1,407</b>	<b>732</b>	<b>52,727</b>	<b>20,362</b>

**CITY OF NORTON, KANSAS**  
Related Municipal Entities  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 2  
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	<b>Public Building Commission</b>	
	<b>Pool Capital Project</b>	<b>Pool Bond &amp; Interest</b>
Receipts:		
Lease Income	\$ 0	413,321
Interest on Idle Funds	0	6,253
Transfer from Pool Capital Project	<u>0</u>	<u>5,000</u>
 Total Receipts	 <u>0</u>	 <u>424,574</u>
Expenditures		
Commodities	0	0
Capital Outlay	0	0
Principal	0	190,000
Interest	0	126,813
Transfer to Pool Bond & Interest	<u>5,000</u>	<u>0</u>
 Total Expenditures	 <u>5,000</u>	 <u>316,813</u>
 Receipts Over (Under) Expenditures	 (5,000)	 107,761
Unencumbered Cash, Beginning	<u>5,000</u>	<u>346,118</u>
 Unencumbered Cash, Ending	 \$ <u><u>0</u></u>	 <u><u>453,879</u></u>

**CITY OF NORTON, KANSAS**  
 Agency Funds  
 Summary of Receipts and Disbursements  
 Regulatory Basis  
For the Year Ended December 31, 2019

SCHEDULE 3

	Beginning Cash Balance	Receipts	Disburse- ments	Ending Cash Balance
Payroll Clearing	\$ 9,301	1,871,212	1,868,603	11,910
Utility Trust	<u>10,408</u>	<u>16,497</u>	<u>15,201</u>	<u>11,704</u>
Total Agency Funds	\$ <b><u>19,709</u></b>	<b><u>1,887,709</u></b>	<b><u>1,883,804</u></b>	<b><u>23,614</u></b>