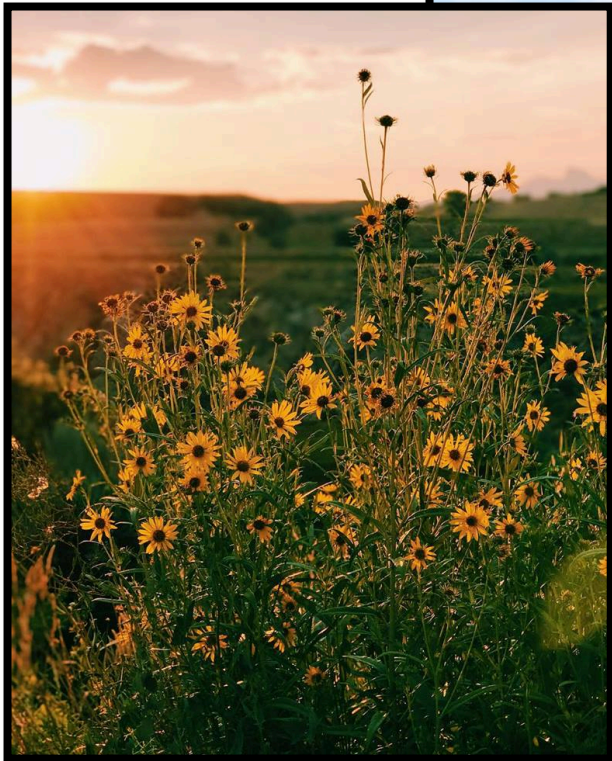


# Comprehensive Annual Financial Report

City of Mulvane, Kansas

*For the Fiscal Year Ended  
December 31, 2019*



# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**of the**

**CITY OF MULVANE, KANSAS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**Dr. Shelly Steadman – Mayor  
Kevin Cardwell – Council Member  
Barry Fleming – Council Member  
Jenean Keck – Council Member  
Nancy Mottola – Council Member  
Brent Allen – Council Member**

**PREPARED BY  
FINANCE DIRECTOR  
CATHY WALKER**

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# **INTRODUCTORY SECTION**



June 29, 2020

To the Citizens of the City of Mulvane, Kansas

The Comprehensive Annual Financial Report of the City of Mulvane, Kansas for the year ended December 31, 2019 is respectfully submitted herewith. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. City staff believes the data as presented is accurate in all respects and that the information is profiled in a manner designed to fairly set forth the financial position and results of operations of the City and the component units measured by the financial activity of its various funds. All disclosures necessary to empower the reader to gain an understanding of the City's financial activities have been included.

### **Financial Information**

City staff is responsible for managing, establishing, and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The control system must ensure that adequate accounting data is compiled to allow for the presentation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurances recognizes that (1) the cost of a control system should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgment by management.

All internal control evaluations occur within this framework. City staff believes that the City's internal accounting controls adequately safeguard assets and provide reasonable assurances of proper recording of financial transactions.

Expenditures are authorized by a budget approved by the City Council as required by State statute. City staff and Council continually review and approve all deviations from budget authorizations. The Kansas cash basis and budget laws require (1) cash is on hand before expenditure is authorized, (2) that all expenditures be budgeted (unless specifically exempted), and (3) that the budget not exceed anticipated revenues including, carry forward balances.

### **Financial Policies & Planning**

The City has financial policies and practices in place that have had a significant impact on the current period's financial statements. The City has an "Authorized Municipal Investments" policy that complies with the Kansas statutes that limits where a city can invest idle funds and in what financial instruments those funds can be invested. In addition, the City follows GFOA recommendations that general-purpose governments maintain unrestricted fund balances in the General Fund of no less than 5% of regular General Fund operating revenues or no less than one month of regular General Fund operating fund expenditures. The City Council's policy is to maintain an unrestricted fund balance of no less than three months General Fund operating expenditures and transfers.

In establishing a policy to govern the level of unrestricted fund balance in funds, the City Council has considered a variety of factors, including:

The predictability of its revenues and the volatility of its expenditures (i.e. higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile).

The availability of resources in other funds as well as the potential drain upon General Fund resources from other funds (i.e. the availability of resources in other funds may reduce the amount of unrestricted fund balance needed in the General Fund, just as deficits in other funds may require that a higher level of unrestricted fund balance be maintained in the General Fund).

Liquidity (i.e., a disparity between when financial resources become available to make payments and the average maturity of related liabilities may require that a higher level of resources be maintained).

Designations (i.e., City may wish to maintain higher levels of uncommitted fund balance to compensate for any portion of unreserved fund balance already committed for a specific purpose).

An indicator of the positive impact of these financial policies and practices is that the City has been given an AA- rating by Standard and Poor on the City's 2019, \$8,510,000 General Obligation Bond issue. Mulvane is the smallest city in Kansas to achieve an AA- rating.

### **The Reporting Entity and Its Services**

The City provides a full range of municipal services to our citizens and the surrounding community. These include police, library, and recreation services. The City has nineteen well equipped parks including a sports complex and stocked fishing lake. The City also has a community center as well as a new police station. Fire protection and ambulance services cover the City and rural areas surrounding Mulvane. The City provides planning and zoning services and regulates building through permits and inspections not only within the City limits, but also within a three-mile radius of Mulvane through what is termed as extra territorial jurisdiction.

Enterprise operations of the City include electric, water and wastewater services. The financial reporting entity consists of the primary government and its component units, the Mulvane Public Building Commission, Mulvane Housing Authority, Mulvane Land Bank, and the Mulvane Public Library.

### **The Report**

This Comprehensive Annual Financial Report has been prepared in compliance with the accounting principles established by the Governmental Accounting Standards Board and follows the guidelines of Governmental Accounting, Auditing and Financial Reporting. The annual financial report includes an unmodified opinion from its independent auditor retained by the City Council.

The financial reporting entity (the government) includes all funds of the primary government (i.e., the City of Mulvane as legally defined) as well as all its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, activities of the Mulvane Public Building Commission are reported as a special revenue fund of the



primary government. Discretely presented component units are reported in a separate column in the financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The Mulvane Public Library, the Mulvane Land Bank and the Mulvane Housing Authority are reported as discretely presented component units.

Generally accepted accounting principles require that management provide a narrative introduction overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Mulvane's MD&A can be found immediately following the report of the independent auditors.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of Mulvane, Kansas for its Comprehensive Annual Financial Report for the year ended December 31, 2018.

A governmental unit must publish a comprehensive financial report that is well organized. The contents of that financial report should conform to Certificate program standards to be considered for the GFOA award. These reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. City staff believes our current report continues to conform to Certificate Program requirements and we are submitting it to GFOA to determine its eligibility for an award. The City of Mulvane established a program to meet these required standards in 1995. The City of Mulvane has been awarded the Certificate of Achievement for the past twenty-four years.

## **Economic Outlook**

Mulvane is included in the Wichita Metropolitan Area.

In 2019, total nonfarm employment in the Wichita metropolitan area grew 1.8 percent, adding 5,500 jobs in its fastest growth since 2007. For 2020, those gains are expected to be lost as the Wichita economy contracts sharply from the impact of the novel coronavirus. The Wichita economy is forecast to have the largest downturn in the state of Kansas due to the region's large concentration of aerospace manufacturers, which will be affected both by the novel coronavirus' effects on air travel as well as the Boeing 737 Max production freeze in January 2020. U.S. gross domestic product declined 4.8 percent in the first quarter of 2020 as the first effects of the novel coronavirus were felt in March, and the effects are expected to be much larger through the remainder of the year.

In 2020, employment in the Wichita area is expected to decline 14.6 percent, a contraction of more than 44,000 jobs, which would be a decline almost twice as large as the job losses in the last recession from 2008 to 2010. The job losses are expected to be concentrated in the second quarter, followed by an employment recovery in the third and fourth quarters of the year. These projections are based on the assumption that the novel coronavirus infections peak in the second quarter of 2020 at a level manageable for the local health care system, and that additional stay-at-home orders are not required to combat the virus after the initial stay-at-home orders expire in May. Additional outbreaks and stay-at-home orders would further reduce the employment outlook beyond what is presented here.

- Employment in the production sectors is projected to shrink by 23.2 percent. The durable goods manufacturing sector is expected to contract 28.8 percent, losing more than 13,000 jobs, and comprising almost a third of total job losses in the Wichita area. Wichita's durable goods industry is expected to have a slower recovery and likely to have continued job losses in the third and fourth quarters of 2020 as aerospace manufacturers adapt to reduced demand for air transportation. The nondurable manufacturing sector is forecast to experience a more modest contraction, with employment declining by 10.9 percent, while the natural resources and construction sector is expected to decline by 13.6 percent.
- The trade, transportation, and utilities sector are forecast to decline 14.3 percent, with the largest losses in retail trade. More than 5,000 retail trade jobs are expected to be lost, a contraction of 16.2 percent in the sector. The wholesale trade sector and the transportation and utilities sector are each projected to decline by approximately 1,000 jobs.
- The service sectors are projected to decline by 14.1 percent, comprising more than two-fifths of all jobs projected to be lost. The leisure and hospitality sector are expected to decline by more than 10,000 jobs, a 30.6 percent of the sector and half of projected service sector job losses. Other service sectors are expected to contract by 8 to 10 percent, with the information sector having the second-fastest contraction at 10.8 percent. The professional and business services sector and the education and health services sector are forecast to decline by approximately 3,000 and 4,000 jobs, respectively.
- The government sector is expected to decline 1.8 percent, with the bulk of the decline concentrated in the local government sector. No government sector is expected to add jobs in 2020, and overall the sector is projected to decline by fewer than 1,000 jobs.

*\*Wichita State University – Center for Economic Development and Business Research*

### **Construction Activity**

In 2019, 258 permits were issued, a decrease from 261 permits issued in 2018. Permit numbers include all construction activity, commercial, residential, additions, remodel, and new construction.

The total construction value for 2019 was \$9.8 million, an increase from 2018's value of \$8.7 million.

### **Long-term Financial Planning**

The City continues to look forward in meeting our long-term financial and operating needs. Each year the City develops a five-year capital improvements plan to plan and budget for those needs. The City is currently planning the purchase of a police mobile license plate reader new fire bunker gear, and new self-contained breathing apparatuses for the fire department in the year of 2020. The City's public works department has plans to upgrade several of the City's public parks over the next five years. Plans were in place for a "splash pad" water park, but due to the pandemic most major projects for the City have been placed on hold. The City's utility department has placed plans to decommission the Boxelder power plant on hold and to upgrade transformers at the 111<sup>th</sup> Street substation over the next few years. The increasing costs of retirement and medical benefits are also of concern and are being monitored closely by City staff. In 2017 the City established the Mulvane Land Bank to help with the revitalization of the downtown area. At the end of 2019, the Mulvane Land Bank has only one property left on the market. As the City continues to grow, we must continually evaluate opportunities to be more efficient and effective in our efforts to serve our community.

## **Financial Picture**

The assessed valuation of Mulvane increased in 2019 from \$82.2 million to \$86.3 million. The Ad Valorem tax revenue collected in 2019 was \$3,963,308 compared to 2018 which was \$3,605,431. The mill levy increased from 44.304 in 2018 to 46.603 in 2019.

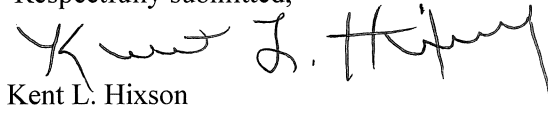
## **Independent Audit**

State statutes require an annual audit of the books of accounts, financial records, and transactions of all administrative departments of the City by an independent certified public accountant appointed by the City Council. To meet this requirement, George, Bowerman & Noel, P.A. was retained, and their opinion is included in the Financial Section of this report.

## **Acknowledgements**

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Finance Director, Cathy Walker. Employees in several City departments also contributed information to this report that makes it truly a cooperative, team effort. Eric Meyer and his staff were very helpful and supportive in assisting in the compilation of this document.

Respectfully submitted,

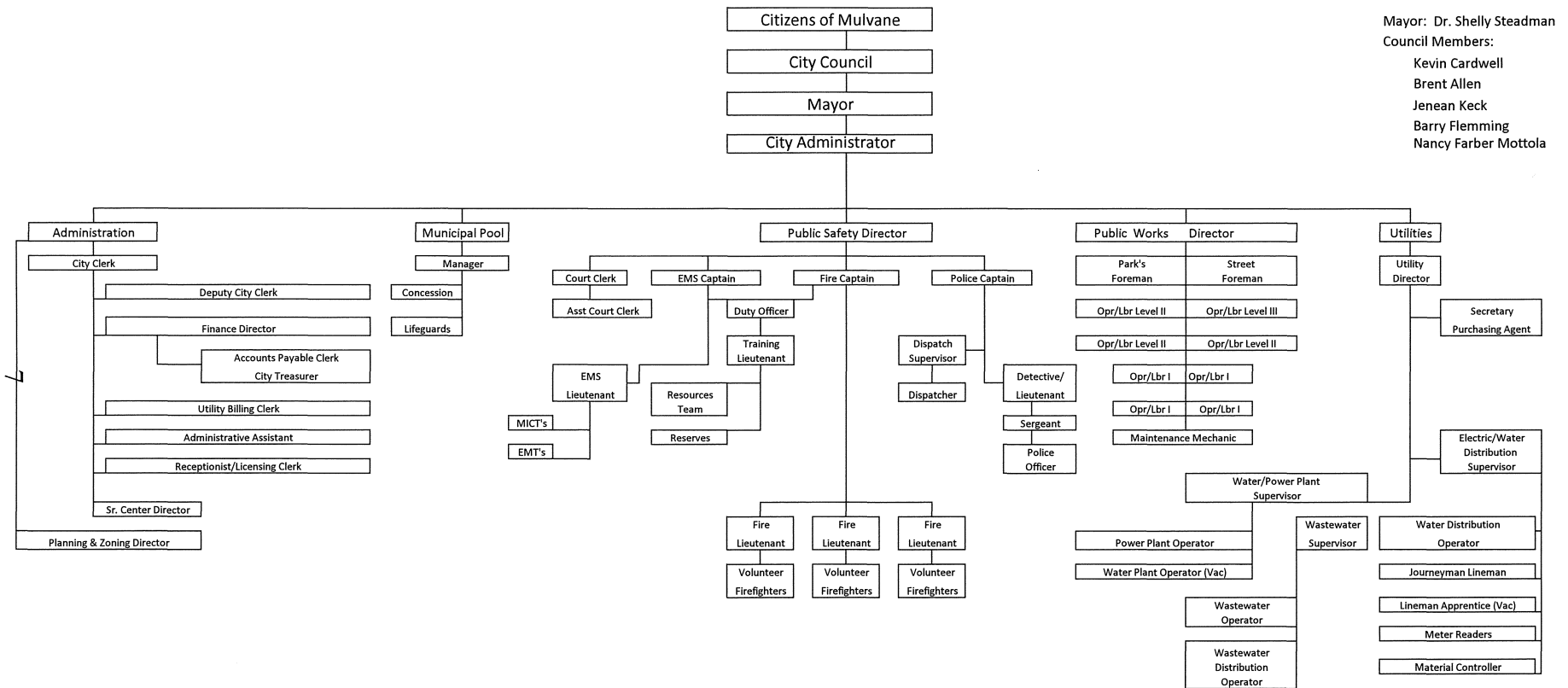
  
Kent L. Hixson

**CITY OF MULVANE, KANSAS**  
**LIST OF PRINCIPAL OFFICIALS**  
**December 31, 2019**

<b>Title</b>	<b>Name</b>
Mayor	Shelly Steadman
Council Member	Kevin Cardwell
Council Member	Brent Allen
Council Member	Jenean Keck
Council Member	Nancy Mottola
Council Member	Barry Fleming
City Administrator	Kent Hixson
City Clerk	Debbie Parker
Finance Director	Cathy Walker
City Treasurer	Rachael Blackwell
Utilities Director	Brad Modlin
Public Safety Director	Gordon Fells
Public Works Director	Kevin Baker
City Attorney	J.T. Klaus
Municipal Judge	Duane Brown
City Prosecutor	Larry Linn



# ORGANIZATIONAL CHART



Mayor: Dr. Shelly Steadman

Council Members:

Kevin Cardwell

Brent Allen

Jenean Keck

Barry Flemming

Nancy Farber Mottola



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Mulvane  
Kansas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morrill*

Executive Director/CEO

## **FINANCIAL SECTION**

# GBN, P.A.

*Certified Public Accountants  
Management Consultants  
Tax Advisors*

12001 E. 13<sup>th</sup> St. North    Wichita, Kansas 67202    Telephone (316) 262-6277    Fax (316) 265-6150

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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
City Council  
Mulvane, Kansas

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Mulvane, Kansas (City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements 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 that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 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 statements.



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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Mulvane, Kansas, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Employee Benefits Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*GBN, P.A.*

Wichita, Kansas  
July 22, 2020

**CITY OF MULVANE, KANSAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2019**

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As management of the City of Mulvane, Kansas, we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in the City's basic financial statements, which immediately follow this section, and in our letter of transmittal in the preceding Introductory Section.

**FINANCIAL HIGHLIGHTS**

- The total assets and deferred outflows of resources of the City for its governmental and business-type activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$57,985,676. Of this amount, \$34,166,280 is the net investment in capital assets, and \$16,049,700 is for restricted uses, leaving \$7,769,696 unrestricted.
- The City's total net position increased by \$2,913,496 during the current fiscal year. The net position of the City's business-type activities increased by \$443,740 and the governmental activities net position increased by \$2,469,756.
- At the end of the current fiscal year, the fund balance for the General Fund was \$3,905,131 or 63% of the total General Fund expenditures and transfers out incurred in the current fiscal year.
- The City's total bonded debt decreased by \$3,668,000 during the current fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three sections – *Introductory Section*, *Financial Section* (which includes management's discussion and analysis, the basic financial statements, and notes to the financial statements), and *Statistical Section*. This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the City's assets and deferred outflows, and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will only result in cash flows in the future fiscal periods (e.g., earned but not used such as compensated absences).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include public safety (police, fire, and emergency medical services),

**CITY OF MULVANE, KANSAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2019**

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streets, recreation, parks, planning and zoning, community development and general administrative support. The business-type activities of the City include electric, water and wastewater services.

Component units are included in the basic financial statements and consist of legally separate entities for which the City is financially accountable and that have either the same governing board as the City or a governing board appointed by the City Council. The blended component unit includes the Mulvane Public Building Commission of the City of Mulvane. The discretely presented component units are the Mulvane Public Library, the Mulvane Land Bank, and the Mulvane Housing Authority.

The government-wide financial statements can be found on pages 20 and 21 of this report.

**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating an entity's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 34 individual governmental funds for financial reporting purposes. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, and Debt Service, which are considered major funds. Data for the remaining 32 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the non-major funds supplementary section of this report.

The City adopts an annual appropriated budget for its General Fund, 13 of its 14 special revenue funds, and its Debt Service Fund. A budgetary comparison statement has been provided for the General Fund and the Employee Benefits Fund in the basic financial statements and for the remaining special revenue and debt service funds in the supplementary information.

The basic governmental fund financial statements can be found on pages 22 through 27 of this report.

**Proprietary Funds** – Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate information for the electric, water and sewer operations, which are major funds of the City. Enterprise funds



**CITY OF MULVANE, KANSAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**DECEMBER 31, 2019**

are used to report the same functions presented as business-type activities in the government-wide financial statements.

The proprietary funds financial statements can be found on pages 28 through 32 of this report.

**Fiduciary Funds** – Fiduciary funds, which consist only of agency funds, are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not included in the government-wide financial statements because the resources are not available to support the City's operations.

The fiduciary funds financial statement can be found at page 33 of this report.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34 through 73 of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$57,985,676 as of December 31, 2019.

A large portion of the City's net position (\$34,166,280) reflects its investment in capital assets, net of accumulated depreciation, (e.g., land, buildings and improvements, machinery and equipment, infrastructure and construction work in progress), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

<b>CITY OF MULVANE'S NET POSITION</b>						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
<b>Current/Other Assets</b>	\$24,927,137	\$24,754,618	\$8,541,908	\$7,871,723	\$33,469,045	\$32,626,341
<b>Capital Assets</b>	27,830,752	28,536,553	36,256,154	37,424,512	64,086,906	65,961,065
<b>Total Assets</b>	52,757,889	53,291,171	44,798,062	45,296,235	97,555,951	98,587,406
<b>Deferred Outflows of Resources</b>	643,350	828,776	181,271	227,055	824,621	1,055,831
<b>Long-Term Liabilities</b>	28,385,452	32,000,809	6,110,239	7,050,745	34,495,691	39,051,554
<b>Current/Other Liabilities</b>	675,037	629,392	523,628	570,423	1,198,665	1,199,815
<b>Total Liabilities</b>	29,060,489	32,630,201	6,633,867	8,479,490	35,694,356	40,251,369
<b>Deferred Inflows of Resources</b>	4,599,390	4,218,142	101,150	101,546	4,700,540	4,319,688
<b>Net Position</b>						
<b>Net Investment in Capital Assets</b>	2,841,055	325,720	31,325,225	31,574,138	34,166,280	31,899,858
<b>Restricted</b>	16,049,700	15,366,396	-	-	16,049,700	15,366,396
<b>Unrestricted</b>	850,605	1,579,488	6,919,091	6,226,438	7,769,696	7,805,926
<b>Total Net Position</b>	\$19,741,360	\$17,271,604	\$38,244,316	\$37,800,576	\$57,985,676	\$55,072,180

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An additional portion of the City's net position (27.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is \$7,769,696.

**Analysis of the City's operations** – The following table provides a summary of the City's operations for the years ended December 31, 2019 and 2018. The City's net position increased by \$2,913,496, or approximately 5.29%.

<b>CITY OF MULVANE'S CHANGES IN NET POSITION</b>						
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues:						
Program Revenues:						
Charges for Services	\$2,271,396	\$1,396,777	\$7,893,100	\$8,198,016	\$10,164,496	\$9,594,793
Operating Grants & Contributions	4,538,085	1,724,379	-	-	4,538,085	1,724,379
Capital Grants & Contributions	774,806	673,750	-	-	774,806	673,750
General Revenues						
Property Taxes	3,455,658	3,911,286	-	-	3,455,658	3,911,286
Gaming Facility	1,864,339	1,819,997	-	-	1,864,339	1,819,997
Sales Tax	837,322	790,162	-	-	837,322	790,162
Franchise Taxes	254,163	250,630	-	-	254,163	250,630
Investment Earnings	93,597	76,599	110,967	67,645	204,564	144,244
Total Revenues	14,089,366	10,643,580	8,004,067	8,265,661	22,093,433	18,909,241
Expenses:						
General Government	1,177,761	1,179,135	-	-	1,177,761	1,179,135
Public Safety	4,572,523	4,316,866	-	-	4,572,523	4,316,866
Highways & Streets	2,366,506	2,361,133	-	-	2,366,506	2,361,133
Culture & Recreation	2,298,566	1,454,413	-	-	2,298,566	1,454,413
Health & Sanitation	29,556	600	-	-	29,556	600
Economic Development	404,942	256,058	-	-	404,942	256,058
Environmental Protection	478	615	-	-	478	615
Electric System	-	-	4,648,838	5,013,606	4,648,838	5,013,606
Water System	-	-	1,238,769	1,299,081	1,238,769	1,299,081
Sewer System	-	-	1,672,720	1,633,447	1,672,720	1,633,447
Interest on Long-term Indebtedness	769,278	746,287	-	-	769,278	746,287
Total Expenses	11,619,610	10,315,107	7,560,327	7,946,134	19,179,937	18,513,123
Increase (Decrease) in Net Position before Transfers In (Out)	2,469,756	328,473	443,740	319,527	2,913,496	648,000
Transfers In (Out)	-	-1,034,154	-	1,034,154	-	-
Increase (Decrease) in Net Position	2,469,756	-705,681	443,740	1,353,681	2,913,496	648,000
Net Position, Beginning of Year as previously stated	17,271,604	18,331,670	37,800,576	36,565,022	55,072,180	54,896,692
Prior Period Adjustment/OPEB Liability	-	-354,385	-	-118,127	-	-472,512
Net Position, End of Year	\$19,741,360	\$17,271,604	\$38,244,316	\$37,800,576	\$57,985,676	\$55,072,180

**Governmental Activities** – Governmental activities increased the City's net position by \$2,469,756 for the current fiscal year. Total governmental activity revenues increased by \$3,445,786, or approximately 32.4%. Positive influences for governmental activity revenues included an increase in sales tax collected of \$47,160, an increase in gaming revenue collected of \$44,342 and an increase in public safety collections of \$909,909.

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Total governmental activity expenses increased by \$1,304,503 for 2019, or approximately 12.6%. Salaries and benefits continue to be a significant portion of the operating expenses for many functional areas and comprise approximately 38% of total expenses (excluding debt service expenses). Economic development expenses increased by \$148,914 due to the allocation of the transient guest tax to the Kansas Star Casino under the terms of the City's agreement with the Casino. Public Safety expenses also increased \$255,657. This increase was due to completing the remodel and furnishing of the new Police Station in 2019.

**Business-type Activities** – Business-type activities increased the City's net position by \$443,740 for the current fiscal year. Total business-type charges for services decreased by \$304,916 for 2019 with the Electric Utility decreasing \$258,694, the Water Utility decreasing by \$22,554, and the Sewer Utility decreasing by \$23,668 for 2019. The decrease in net position is attributed to the wet spring and cool summer experienced in 2019.

### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**Governmental funds** – The focus of the City's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unrestricted fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$6,310,563. This combined ending fund balance is a \$1,418,038 decrease from 2018. Much of this decrease is due to the City paying off debt early for the City Library in the amount of \$910,730.

#### **General Fund**

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, the total fund balance was \$3,905,131, which was \$342,709 less than the prior year's General Fund total fund balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Assigned fund balance represents 37% of total General Fund expenditures and transfers out for the current year. The total fund balance of the General Fund represents 63% of total General Fund expenditures and transfers out for the current year.

The City Council has committed \$1,979,839 to carryover to fund the 2020 General Fund budget.

#### **Debt Service Fund**

The Debt Service Fund of the City services most all the City's general obligation bonded debt. The fund balance of the Debt Service Fund at the end of the current year was \$221,115, which is a decrease of \$94,299 from 2018. Resources for this fund are generated from property taxes, special assessment taxes and interest earnings and decreased by \$245,007 for 2019. Debt service requirements increased by \$9,031,276 for 2019. This increase is due to the City refunding GO bonds in 2019.

#### **Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

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The total net position of the proprietary funds increased by \$443,740 for 2019. The change in net position by fund includes an increase in the Electric System Fund of \$452,183, a decrease in the Water System Fund of \$134,839, and an increase in the Sewer System Fund of \$126,396.

**Electric System Fund**

Total net position of the Electric System Fund increased by \$452,183. Customer consumption for 2019 decreased from 2018. Revenues decreased by \$258,694, and operating expenses decreased by \$364,768. This is reflective of the cool summer experienced in 2019.

**Water System Fund**

Total net position of the Water System Fund decreased by \$134,839. Operating revenues decreased by \$22,554 during 2019. Operating expenses decreased \$60,312 for 2019. This is due to the wet spring and summer experienced in 2019.

**Sewer System Fund**

The total net position of the Sewer System Fund increased by \$126,396. Operating revenues decreased \$23,668, or 1.32%, with operating expenses increasing \$39,273, or approximately 2.4%.

**General Fund Budgetary Highlights** – The General Fund total actual revenues were 96.5% of the total amount anticipated in the 2019.

General Fund budgetary revenues were \$5,787,702 for 2019. General Fund budgetary expenditures totaled \$6,332,079, which represented only 72.8% of the budgeted expenditures for 2019. Accordingly, the General Fund incurred a negative variance from its budgeted expenditures of \$544,377. This variance is largely due to the charge back to the City for the Kansas Star Casino's winning the protest of their 2013 taxes in the amount of \$819,595.

**CAPITAL ASSETS**

The City's investment in capital assets as of December 31, 2019 amounts to \$64,086,906 (net of accumulated depreciation). The investment in capital assets includes land, buildings and improvements, utility plant in service, machinery and equipment, and construction work in progress. The total net decrease in the City's investment in capital assets for the current fiscal year was 2.8%. Major capital asset events during the current fiscal year included the following:

- New Walker Mower - \$10,802
- New Fire Truck - \$454,578
- New Surveillance Video Equipment - \$19,686
- New Bobcat Skid Steer Loader - \$53,654
- New Crafcro Crack Sealing Machine - \$44,864
- New John Deere Backhoe - \$126,874
- Completed Construction of New Police Station, Furniture and Equipment - \$201,771
- New Tennis & Pickle Ball Courts - \$64,220
- New Police Body Cameras - \$72,940

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<b>Capital Assets at Year-End Net of Accumulated Depreciation</b>						
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$465,014	\$465,014	\$676,863	\$676,863	\$1,141,877	\$1,141,877
Buildings	9,099,247	6,406,017	-	-	9,099,247	6,406,017
Utility Plant	-	-	35,298,034	25,363,675	35,298,034	25,363,675
Improvements other than Buildings	3,793,972	2,629,212	17,343,991	9,774,295	21,137,963	12,403,507
Infrastructure	36,861,668	16,279,860	-	-	36,861,668	16,279,860
Machinery and Equipment	7,045,216	1,961,303	4,084,600	1,591,387	11,129,816	3,552,690
Construction Work in Progress	64,220	795,147	18,292	18,292	82,512	813,439
Total	<u>57,329,337</u>	<u>\$28,536,553</u>	<u>\$57,421,780</u>	<u>\$37,424,512</u>	<u>\$114,751,117</u>	<u>\$65,961,065</u>

Additional information on the City's capital assets can be found in Note 3 on pages 47 through 50 of this report.

### **DEBT ADMINISTRATION**

At the end of the current fiscal year, the City's total long-term debt obligations outstanding are \$34,495,691. This amount was comprised of \$26,345,000 of general obligation bonds secured by future tax revenues from governmental activities with \$4,897,389 of such bonds being committed from resources generated by business-type revenues, and \$2,530,000 revenue bonds secured by future revenue sources from governmental activities via lease revenues from the City to the Mulvane Public Building Commission. Unamortized premiums on bond issues totaled \$1,237,257 at year-end. The remaining long-term debt obligations totaling \$4,383,434 of the City pertains to accrued compensated absences in the amount of \$575,012, net OPEB liability of \$522,584 and net pension liability in the amount of \$3,285,838.

The City's total long-term debt decreased by \$4,555,863, or about 12% during the current year. Increases include premiums \$895,394 on the issuance general obligations bonds. The increase was offset by principal payments in 2019 on existing general obligation debt of \$3,668,000 and principal payments of \$1,435,000 on existing Mulvane Public Building Commission Revenue bonds. The payments on the Mulvane Public Building Commission Revenue bonds included early retirement of bonds totaling \$910,000.

Additional information on the City's long-term debt can be found in Note 4 on pages 50 through 55 of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The annual budget is developed to provide efficient, effective, and economical uses of the City's resources. The budget is the most important annual policy statement the elected officials can make. Through the budget, the City Council sets the direction of the City, allocates its resources, and establishes its priorities. The elected officials and appointed staff considered many factors when setting the fiscal year 2020 budget which impacts the property tax rate and fees that will be charged for business-type activities. Those factors include the following:

**CITY OF MULVANE, KANSAS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
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- Maintaining competitive employee salaries and benefits but facing increasing costs for employer paid health insurance and retirement contributions.
- Increases in debt service requirements for both general obligation bonds and revenue bonds.
- Property tax revenues are budgeted to increase in 2020 by \$141,977, or approximately 3.53%. Assessed valuations increased about 3.54% resulting in a decrease in the mill levy of 0.013.

The gaming facility revenue for 2020 has been estimated at \$1,700,000 and comprises approximately 27% of the General Fund's 2020 total resources. Due to the pandemic in early 2020 the Kansas Star Casino in our jurisdiction was closed for time, therefore we are estimating that our gaming revenues for 2020 will be down \$300,000. The other significant resources for the General Fund are the carryover balance from 2019, the 1% county-wide sales tax for Sedgwick County, and property taxes, which comprise 32%, 11% and 38% respectively, of the total General Fund resources for the 2020 budget. The City is also expecting a 25% reduction in sales tax that was budgeted in 2020 due to the pandemic. The City has also adjusted the 2021 budget recommendations accordingly.

The City's total property tax rate for the 2020 budget is 46.590 mills with the General Fund's levy at 26.896 mills. The Debt Service Fund and Employee Benefits Fund levies 5.533 mills and 6.632 mills, respectively, of the total City levy rate. The City's total assessed valuation for the 2020 budget is \$89,393,671, which reflects an increase from the 2019 budget of \$3,073,912.

Despite fluctuations in assessed valuation, the City's budgetary performance remains characteristically strong. Due to the uncertainty regarding the Kansas Star's valuations and gaming revenue and the economic effect of the pandemic, the City has worked to build up reserves for such uncertainties. The City has proactively built in the use of \$900,000 to offset the potential loss of revenue in the event the Kansas Star wins its tax appeals within the 2020 year. These reserves will also help with loss of revenue expected in 2020 due to the pandemic. The City continues to build up the reserves for these uncertainties.

The City's budgetary flexibility is strong with an available fund balance in the General Fund in 2020 of 39% of budgeted expenditures, or \$3.15million.

With unemployment on an increase due to lost jobs during the pandemic, sales tax revenues still fluctuating due to the pandemic, the Kansas Star Casino protesting their assessed value annually, and without any past history to estimate the future gaming facility revenue sharing, the City Council continued to take a very cautious approach to revenue estimating and expenditure appropriations in the 2020 budget.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the City of Mulvane, 211 North Second Street, Mulvane, Kansas 67110, call (316) 777-1143 or visit the City's web site at [www.mulvanekansas.com](http://www.mulvanekansas.com).

## **BASIC FINANCIAL STATEMENTS**

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**



## CITY OF MULVANE, KANSAS

## STATEMENT OF NET POSITION

December 31, 2019

	Primary Government			Component Units		
	Governmental Activities	Business- Type Activities	Total	Mulvane Public Library	Mulvane Housing Authority	Mulvane Land Bank
<b>ASSETS</b>						
Cash and investments	\$ 6,040,105	\$ 7,259,915	\$ 13,300,020	\$ 162,927	\$ 3,062	\$ 59,329
Receivables:						
Property taxes	4,367,296	—	4,367,296	—	—	—
Special assessment taxes	13,880,548	—	13,880,548	—	—	—
Sales taxes	134,798	—	134,798	—	—	—
Franchise fees	36,464	—	36,464	—	—	—
Gaming facility revenue receivable	165,804	—	165,804	—	—	—
Trade accounts, net	257,060	1,027,685	1,284,745	—	40	—
Prepaid items	40,971	35,278	76,249	—	517	—
Restricted assets	4,091	219,030	223,121	—	40,692	—
Capital assets:						
Land	465,014	676,863	1,141,877	—	16,000	—
Buildings	9,099,247	35,298,034	44,397,281	22,560	597,492	262,571
Improvements other than buildings	3,793,972	17,343,991	21,137,963	—	—	—
Infrastructure	36,861,668	—	36,861,668	—	—	—
Machinery and equipment	7,045,216	4,084,600	11,129,816	121,136	149,566	—
Less accumulated depreciation	(29,498,585)	(21,165,626)	(50,664,211)	(102,786)	(611,671)	—
Construction work in progress	64,220	18,292	82,512	—	—	—
Total assets	52,757,889	44,798,062	97,555,951	203,837	195,698	321,900
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Unamortized deferred costs on bond refunding	190,510	30,325	220,835	—	—	—
Deferred outflows related to pensions	390,351	130,117	520,468	62,532	—	—
Deferred outflows of resources related to OPEB	62,489	20,829	83,318	—	—	—
Total deferred outflows of resources	643,350	181,271	824,621	62,532	—	—
<b>LIABILITIES</b>						
Accounts payable	35,207	444,405	479,612	—	2,100	—
Accrued payroll payable	137,100	45,226	182,326	—	—	—
Accrued interest payable	347,278	33,997	381,275	—	—	—
Temporary notes payable	—	—	—	—	—	—
Unearned revenue	155,452	—	155,452	—	—	—
Noncurrent liabilities:						
Due within one year	2,908,743	1,022,341	3,931,084	—	9,516	—
Due in more than one year	25,476,709	5,087,898	30,564,607	140,506	127,312	—
Total liabilities	29,060,489	6,633,867	35,694,356	140,506	138,928	—
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property taxes receivable	4,367,296	—	4,367,296	—	—	—
Unamortized deferred costs on refunding	—	29,200	29,200	—	—	—
Deferred inflows related to pensions	211,398	65,051	276,449	4,030	—	—
Deferred inflows related to OPEB	20,696	6,899	27,595	—	—	—
	4,599,390	101,150	4,700,540	4,030	—	—
<b>NET POSITION</b>						
Net investment in capital assets	2,841,055	31,325,225	34,166,280	40,910	14,559	262,571
Restricted for:						
Debt service	14,101,663	—	14,101,663	—	—	—
Capital improvements	395,939	—	395,939	—	—	—
General government	275,542	—	275,542	—	—	—
Employee Benefits	122,858	—	122,858	—	—	—
Parks and recreation	577,767	—	577,767	—	—	—
Economic development	461,572	—	461,572	—	—	—
Street maintenance and improvement	55,938	—	55,938	—	—	—
Health and welfare	58,421	—	58,421	—	—	—
Unrestricted	850,605	6,919,091	7,769,696	80,923	42,211	59,329
Total net position	\$ 19,741,360	\$ 38,244,316	\$ 57,985,676	\$ 121,833	\$ 56,770	\$ 321,900

The accompanying notes are an integral  
part of the financial statements.

## CITY OF MULVANE, KANSAS

## STATEMENT OF ACTIVITIES

Year ended December 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Governmental Activities	Business- Type Activities	Total	Mulvane Public Library	Mulvane Housing Authority	Mulvane Land Bank
<b>Governmental Activities:</b>										
General government	\$ 1,177,761	\$ 119,790	\$ 142,395	\$ —	\$ (915,576)	\$ —	\$ (915,576)	\$ —	\$ —	\$ —
Public safety	4,572,523	2,033,870	327,926	—	(2,210,727)	—	(2,210,727)	—	—	—
Highways and streets	2,366,506	42,435	277,477	17,925	(2,028,669)	—	(2,028,669)	—	—	—
Health and sanitation	29,556	—	—	—	(29,556)	—	(29,556)	—	—	—
Culture and recreation	2,298,566	75,301	164,295	756,881	(1,302,089)	—	(1,302,089)	—	—	—
Economic development	404,942	—	343,044	—	(61,898)	—	(61,898)	—	—	—
Environmental protection	478	—	—	—	(478)	—	(478)	—	—	—
Interest on long-term debt	769,278	—	3,282,948	—	2,513,670	—	2,513,670	—	—	—
Total Governmental Activities	<u>\$ 11,619,610</u>	<u>\$ 2,271,396</u>	<u>\$ 4,538,085</u>	<u>\$ 774,806</u>	<u>\$ (4,035,323)</u>	<u>\$ —</u>	<u>\$ (4,035,323)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Business-Type Activities:</b>										
Electric Utility	\$ 4,648,838	\$ 5,038,007	\$ —	\$ —	\$ —	\$ 389,169	\$ 389,169	\$ —	\$ —	\$ —
Water Utility	1,238,769	1,091,439	—	—	—	(147,330)	(147,330)	—	—	—
Sewer Utility	1,672,720	1,763,654	—	—	—	90,934	90,934	—	—	—
Total Business-Type Activities	<u>\$ 7,560,327</u>	<u>\$ 7,893,100</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 332,773</u>	<u>\$ 332,773</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Component Units:</b>										
Mulvane Public Library	\$ 552,163	\$ 31,001	\$ 24,063	\$ —	\$ —	\$ —	\$ —	\$ (497,099)	\$ —	\$ —
Mulvane Housing Authority	97,622	72,797	14,703	—	—	—	—	—	(10,122)	—
Mulvane Land Bank	89,783	9,600	—	—	—	—	—	—	—	(80,183)
Total Component Units	<u>\$ 739,568</u>	<u>\$ 113,398</u>	<u>\$ 38,766</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (497,099)</u>	<u>\$ (10,122)</u>	<u>\$ (80,183)</u>
<b>General Revenues and Transfers:</b>										
General Revenues:										
Property taxes levied for:										
General purposes					2,828,655	—	2,828,655	—	—	—
Debt service					627,003	—	627,003	—	—	—
Gaming facility revenue sharing					1,864,339	—	1,864,339	—	—	—
Sales taxes					837,322	—	837,322	—	—	—
Franchise taxes					254,163	—	254,163	—	—	—
Payment from City of Mulvane					—	—	—	397,653	—	—
Investment earnings					93,597	110,967	204,564	199	40	—
Transfers in (out)					—	—	—	—	—	—
Total general revenues and transfers					<u>6,505,079</u>	<u>110,967</u>	<u>6,616,046</u>	<u>397,852</u>	<u>40</u>	<u>—</u>
Change in net position					<u>2,469,756</u>	<u>443,740</u>	<u>2,913,496</u>	<u>(99,247)</u>	<u>(10,082)</u>	<u>(80,183)</u>
Net position at beginning of year					<u>17,271,604</u>	<u>37,800,576</u>	<u>55,072,180</u>	<u>221,080</u>	<u>66,852</u>	<u>402,083</u>
Net position at end of year					<u>\$ 19,741,360</u>	<u>\$ 38,244,316</u>	<u>\$ 57,985,676</u>	<u>\$ 121,833</u>	<u>\$ 56,770</u>	<u>\$ 321,900</u>

The accompanying notes are an integral  
part of the financial statements.

## **FUND FINANCIAL STATEMENTS**

## CITY OF MULVANE, KANSAS

## BALANCE SHEET – GOVERNMENTAL FUNDS

December 31, 2019

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b><u>ASSETS</u></b>				
Cash and short-term investments	\$ 3,744,146	\$ 221,115	\$ 2,074,844	\$ 6,040,105
Cash held for appearance bonds	4,091	–	–	4,091
Property taxes receivable	2,388,527	726,272	1,252,497	4,367,296
Special assessment taxes receivable	–	13,880,548	–	13,880,548
Due from other funds	–	–	–	–
Accounts receivable, net	158,952	–	98,108	257,060
Gaming facility revenue receivable	165,804	–	–	165,804
Franchise fees receivable	36,464	–	–	36,464
Sales tax receivable	71,438	–	63,360	134,798
Total assets	<u>\$ 6,569,422</u>	<u>\$ 14,827,935</u>	<u>\$ 3,488,809</u>	<u>\$ 24,886,166</u>
<b><u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$ 22,191	\$ –	\$ 8,925	\$ 31,116
Accrued payroll payable	94,030	–	43,070	137,100
Due to other funds	–	–	–	–
Municipal Court appearance bonds payable	4,091	–	–	4,091
Temporary notes payable	–	–	–	–
Unearned revenue	155,452	–	–	155,452
Total liabilities	<u>275,764</u>	<u>–</u>	<u>51,995</u>	<u>327,759</u>
Deferred inflows of resources:				
Property taxes receivable	2,388,527	726,272	1,252,497	4,367,296
Special assessment taxes receivable	–	13,880,548	–	13,880,548
Total deferred inflows of resources	<u>2,388,527</u>	<u>14,606,820</u>	<u>1,252,497</u>	<u>18,247,844</u>
Fund balances:				
Restricted:				
Insurance claims	\$ 275,542	\$ –	\$ –	\$ 275,542
Debt service	–	221,115	–	221,115
General government	–	–	122,858	122,858
Recreation	–	–	577,767	577,767
Health and welfare	–	–	58,421	58,421
Economic development	–	–	461,572	461,572
Street improvements	–	–	55,938	55,938
Capital improvements	–	–	395,939	395,939
Committed:				
Street improvements	–	–	320,007	320,007
Parks and recreation	–	–	2,460	2,460
Assigned:				
General government	1,979,839	–	–	1,979,839
Culture and recreation	–	–	694	694
Capital outlay	–	–	188,661	188,661
Unassigned	1,649,750	–	–	1,649,750
Total fund balances	<u>3,905,131</u>	<u>221,115</u>	<u>2,184,317</u>	<u>6,310,563</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 6,569,422</u>	<u>\$ 14,827,935</u>	<u>\$ 3,488,809</u>	<u>\$ 24,886,166</u>

The accompanying notes are an integral  
part of the financial statements.

CITY OF MULVANE, KANSAS

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES

December 31, 2019

Total Governmental Fund Balances \$ 6,310,563

Amounts reported for governmental activities in the  
statement of net position are different because:

Capital assets used in governmental activities are not  
financial resources and therefore are not reported  
in the funds (capital assets net of accumulated  
depreciation):

Cost	\$ 57,329,337	
Accumulated depreciation	(29,498,585)	
		27,830,752

Other assets not available to pay for current period  
expenditures and therefore are not reported in  
the governmental funds:

Special assessments receivable	13,880,548
Prepaid expenses	40,971

Deferred refunding bond costs resulting from issuance  
of refunding bonds are recognized as deferred  
outflows of resources in the government-wide  
financial statements

190,510

Long-term liabilities are not due and payable in the  
current period and therefore are not reported  
in the funds:

Accrued interest payable on general obligation and Mulvane Public Building Commission revenue bonds	347,278
Compensated absences payable	348,927
General obligation bonds payable	21,447,611
Unamortized premium on sale of general obligation bonds and Mulvane Public Building Commission revenue bonds	1,202,596
Mulvane Public Building Commission revenue bonds payable	2,530,000
Net pension liability for Kansas Public Employee's Retirement System Plan including deferred outflows of resources and deferred inflows of resources related to pensions	2,285,425
Net OPEB liability for Kansas Public Employee's Disability Plan including deferred outflows of resources and deferred inflows of resources related to pensions	350,147

(28,511,984)

Net Position of Governmental Activities \$ 19,741,360

The accompanying notes are an integral  
part of the financial statements.

**CITY OF MULVANE, KANSAS**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES – GOVERNMENTAL FUNDS**

**Year ended December 31, 2019**

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 2,501,176	\$ 627,003	\$ 2,407,041	\$ 5,535,220
Special assessment taxes	–	1,951,808	–	1,951,808
Intergovernmental	2,367,677	–	263,128	2,630,805
Licenses and permits	299,158	–	–	299,158
Charges for services	317,959	–	106,886	424,845
Fines and forfeitures	177,256	–	–	177,256
Use of money and property	100,628	–	1,553,554	1,654,182
Miscellaneous	47,298	–	37,654	84,952
Total revenues	<u>5,811,152</u>	<u>2,578,811</u>	<u>4,368,263</u>	<u>12,758,226</u>
Expenditures:				
Current:				
General government	696,701	114,428	284,688	1,095,817
Public safety	4,420,230	–	61,703	4,481,933
Highways and streets	880,452	–	594,218	1,474,670
Culture and recreation	–	–	2,104,633	2,104,633
Health and welfare	–	–	29,556	29,556
Environmental protection	478	–	–	478
Economic development	–	–	404,978	404,978
Capital improvements	–	–	469,774	469,774
Debt Service	–	2,680,769	1,549,505	4,230,274
Total expenditures	<u>5,997,861</u>	<u>2,795,197</u>	<u>5,499,055</u>	<u>14,292,113</u>
Revenues over (under) expenditures	<u>(186,709)</u>	<u>(216,386)</u>	<u>(1,130,792)</u>	<u>(1,533,887)</u>
Other financing sources (uses):				
General obligation refunding bonds issued	–	8,335,545	–	8,335,545
Premium on general obligation refunding bonds issued	–	827,486	–	827,486
Payment to escrow agent	–	(9,047,182)	–	(9,047,182)
Transfers in	–	6,238	156,000	162,238
Transfers out	<u>(156,000)</u>	<u>–</u>	<u>(6,238)</u>	<u>(162,238)</u>
Total other financing sources (uses)	<u>(156,000)</u>	<u>122,087</u>	<u>149,762</u>	<u>115,849</u>
Net change in fund balance	(342,709)	(94,299)	(981,030)	(1,418,038)
Fund balances, beginning of year	<u>4,247,840</u>	<u>315,414</u>	<u>3,165,347</u>	<u>7,728,601</u>
Fund balances, end of year	<u>\$ 3,905,131</u>	<u>\$ 221,115</u>	<u>\$ 2,184,317</u>	<u>\$ 6,310,563</u>

The accompanying notes are an integral  
part of the financial statements.

CITY OF MULVANE, KANSAS

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2019

Net Change in Fund Balances – Total Governmental Funds		(1,418,038)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlays	974,955	
Depreciation	<u>(1,680,756)</u>	
Excess depreciation over capital outlays		(705,801)
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due		(139,503)
The issuance of long-term debt provides current financial resources in the governmental funds but represent an increase in long-term liabilities in the statement of activities for:		
General obligation bonds	(8,335,545)	
Mulvane Public Building Commission revenue bonds	<u>—</u>	
Total issuance of long-term debt		(8,335,545)
The premium on the issuance of bonded indebtedness provides current financial resources in the governmental funds but represents an increase to the long-term liabilities in the statement of activities for:		
General obligation bonds	(827,486)	
Mulvane Public Building Commission revenue bonds	<u>—</u>	
Total premium on the issuance of bonded indebtedness		(827,486)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:		
General obligation bond payment	11,066,430	
Mulvane Public Building Commission revenue bond payment	<u>1,435,000</u>	
Total payments on long-term liabilities		12,501,430
In the statement of activities the deferred refunding costs increases deferred outflows of resources but does not provide current resources to the governmental funds. Amortization of the deferred refunding costs is reflected in the statement of activities but is not reported as expenditures in the governmental funds:		
Amortization of deferred refunding costs		(45,712)
Special assessments are not considered available to liquidate liabilities of the current period. However, they are recognized as revenue in the statement of activities as soon as the related improvement is completed and the special assessments are levied		1,331,140
Pension contributions is an expenditure in the governmental funds but reduces the net pension liability in the statement of net position. Additionally, the effect of changes in deferred outflows and inflows for pensions are only recorded in the statement of activities.		(68,987)
OPEB contributions is an expenditure in the governmental funds but reduces the net OPEB liability in the statement of net position. Additionally, the effect of changes in deferred outflows and inflows for OPEB are only recorded in the statement of activities.		(3,356)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:		
Prepaid items	721	
Compensated absences payable	(11,070)	
Amortization of premium on issuance of general obligation bonds	179,379	
Amortization of premium on issuance of Mulvane Public Building Commission revenue bonds	<u>12,584</u>	
Total		<u>181,614</u>
Change in Net Position of Governmental Activities		<u>2,469,756</u>

The accompanying notes are an integral  
part of the financial statements.

**CITY OF MULVANE, KANSAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS  
(continued on next page)**

**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 3,133,517	\$ 3,133,517	\$ 2,487,502	\$ (646,015)
Intergovernmental	2,117,436	2,117,436	2,363,023	245,587
Licenses, fees and permits	267,700	267,700	296,907	29,207
Charges for services	275,000	275,000	317,959	42,959
Fines and forfeitures	176,750	176,750	177,256	506
Use of money and property	25,500	25,500	97,757	72,257
Miscellaneous	—	—	47,298	47,298
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues and other sources	<u>5,995,903</u>	<u>5,995,903</u>	<u>5,787,702</u>	<u>(208,201)</u>
Expenditures, encumbrances and other uses:				
General government:				
Administration department	2,978,871	2,978,871	590,770	2,388,101
Inspection Department	—	—	93,285	(93,285)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total general government	<u>2,978,871</u>	<u>2,978,871</u>	<u>684,055</u>	<u>2,294,816</u>
Public safety:				
Police department	1,866,060	1,866,060	1,949,928	(83,868)
Fire department	455,508	455,508	718,149	(262,641)
EMS department	1,882,100	1,882,100	1,620,316	261,784
Municipal Court	197,654	197,654	152,730	44,924
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total public safety	<u>4,401,322</u>	<u>4,401,322</u>	<u>4,441,123</u>	<u>(39,801)</u>
Highways and streets:				
Street department	<u>1,035,178</u>	<u>1,035,178</u>	<u>921,923</u>	<u>113,255</u>



**CITY OF MULVANE, KANSAS**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**(continued from previous page)**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Economic development:				
Planning & Zonning	\$ 114,630	\$ 114,630	\$ –	\$ 114,630
Environmental protection:				
Bindweed department	<u>1,000</u>	<u>1,000</u>	<u>478</u>	<u>522</u>
Other:				
Debt service	–	–	128,500	(128,500)
Transfers out	<u>157,900</u>	<u>157,900</u>	<u>156,000</u>	<u>1,900</u>
Total other	<u>157,900</u>	<u>157,900</u>	<u>284,500</u>	<u>(126,600)</u>
Total expenditures, encumbrances and other uses	<u>8,688,901</u>	<u>8,688,901</u>	<u>6,332,079</u>	<u>2,356,822</u>
Revenues and other sources over (under) expenditures, encumbrances and other uses	(2,692,998)	(2,692,998)	(544,377)	2,148,621
Fund balance, beginning of year	<u>2,692,998</u>	<u>2,692,998</u>	<u>3,700,632</u>	<u>1,007,634</u>
Fund balance, end of year	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ 3,156,255</u></u>	<u><u>\$ 3,156,255</u></u>

The accompanying notes are an integral  
part of the financial statements.

**CITY OF MULVANE, KANSAS**

**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**

**December 31, 2019**

	<u>Business-Type Activities – Enterprise Funds</u>			
	<u>Electric System</u>	<u>Water System</u>	<u>Sewer System</u>	<u>Total Enterprise Funds</u>
<b><u>ASSETS</u></b>				
Current assets:				
Cash and investments	\$ 3,923,506	\$ 1,149,243	\$ 2,187,166	\$ 7,259,915
Trade accounts receivable	604,329	154,758	268,598	1,027,685
Prepaid expenses	17,414	7,048	10,816	35,278
Restricted assets:				
Cash and investments restricted for:				
Customer deposits	<u>159,596</u>	<u>59,434</u>	<u>–</u>	<u>219,030</u>
Total current assets	<u>4,704,845</u>	<u>1,370,483</u>	<u>2,466,580</u>	<u>8,541,908</u>
Property, plant and equipment:				
Land	220,495	118,107	338,261	676,863
Utility plant	5,430,385	9,038,852	20,828,797	35,298,034
Improvements other than buildings	5,327,368	6,015,167	6,001,456	17,343,991
Machinery and equipment	1,757,923	758,358	1,568,319	4,084,600
Construction work in process	<u>–</u>	<u>18,292</u>	<u>–</u>	<u>18,292</u>
	12,736,171	15,948,776	28,736,833	57,421,780
Less accumulated depreciation	<u>(9,837,322)</u>	<u>(3,879,413)</u>	<u>(7,448,891)</u>	<u>(21,165,626)</u>
Property, plant and equipment, net	2,898,849	12,069,363	21,287,942	36,256,154
Total assets	<u>7,603,694</u>	<u>13,439,846</u>	<u>23,754,522</u>	<u>44,798,062</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>				
Deferred outflows of resources:				
Unamortized deferred cost on refunding	12,542	–	17,783	30,325
Deferred outflows of resources related to pensions	67,661	26,023	36,433	130,117
Deferred outflows of resources related to OPEB	<u>10,831</u>	<u>4,166</u>	<u>5,832</u>	<u>20,829</u>
Total deferred outflows of resources	<u>91,034</u>	<u>30,189</u>	<u>60,048</u>	<u>181,271</u>
Total assets and deferred outflows of resources	<u>7,694,728</u>	<u>13,470,035</u>	<u>23,814,570</u>	<u>44,979,333</u>

	Business-Type Activities – Enterprise Funds			
	Electric System	Water System	Sewer System	Total Enterprise Funds
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Salaries and wages payable	\$ 22,857	\$ 8,756	\$ 13,613	\$ 45,226
Accounts payable	191,594	31,796	2,985	226,375
Compensated absences payable	94,096	34,133	46,787	175,016
Current portion of general obligation bonds payable	319,937	5,939	521,449	847,325
Accrued interest payable	13,907	527	19,563	33,997
Customer deposits payable	158,596	59,434	–	218,030
Total current liabilities	800,987	140,585	604,397	1,545,969
Noncurrent liabilities:				
Net pension liability	427,159	164,292	230,009	821,460
Net OPEB liability	67,934	26,129	36,581	130,644
Long-term portion of compensated absences payable	27,455	9,959	13,651	51,065
Long-term portion of general obligation bonds payable	1,690,975	59,570	2,334,184	4,084,729
Total noncurrent liabilities	2,213,523	259,950	2,614,425	5,087,898
Total liabilities	3,014,510	400,535	3,218,822	6,633,867
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Unamortized deferred costs on refunding	9,470	–	19,730	29,200
Deferred inflows of resources related to pensions	36,642	14,093	14,316	65,051
Deferred inflows of resources related to OPEB	3,587	1,380	1,932	6,899
Total deferred inflows of resources	49,699	15,473	35,978	101,150
<b><u>NET POSITION</u></b>				
Net position:				
Net investment in capital assets	891,009	12,003,854	18,430,362	31,325,225
Unrestricted	3,739,510	1,050,173	2,129,408	6,919,091
Total net position	\$ 4,630,519	\$ 13,054,027	\$ 20,559,770	\$ 38,244,316

The accompanying notes are an integral  
part of the financial statements.

**CITY OF MULVANE, KANSAS**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION –**  
**PROPRIETARY FUNDS**

**Year ended December 31, 2019**

	Business-Type Activities – Enterprise Funds			
	Electric System	Water System	Sewer System	Total Enterprise Funds
Operating revenues:				
Charges for services	\$ 4,974,232	\$ 1,048,602	\$ 1,730,937	\$ 7,753,771
Miscellaneous	56,001	34,052	32,717	122,770
Rents and royalties	7,774	8,785	–	16,559
Total operating revenues	5,038,007	1,091,439	1,763,654	7,893,100
Operating expenses:				
Production	3,305,726	–	–	3,305,726
Treatment	–	895,491	642,450	1,537,941
Distribution and maintenance	858,856	–	–	858,856
Collection	–	–	321,257	321,257
Depreciation	437,858	340,657	646,059	1,424,574
Total operating expenses	4,602,440	1,236,148	1,609,766	7,448,354
Operating income (loss)	435,567	(144,709)	153,888	444,746
Nonoperating revenues (expense):				
Interest income	57,551	12,491	25,762	95,804
Interest expense	(46,398)	(2,621)	(62,954)	(111,973)
Accretion of premium on general obligation bonds	5,463	–	9,700	15,163
Total nonoperating revenue (expense)	16,616	9,870	(27,492)	(1,006)
Income (loss) before contributions and transfers	452,183	(134,839)	126,396	443,740
Contributed capital	–	–	–	–
Change in net position	452,183	(134,839)	126,396	443,740
Net position, beginning of year	4,178,336	13,188,866	20,433,374	37,800,576
Net position, end of year	<u>\$ 4,630,519</u>	<u>\$ 13,054,027</u>	<u>\$ 20,559,770</u>	<u>\$ 38,244,316</u>

The accompanying notes are an integral  
part of the financial statements.

## CITY OF MULVANE, KANSAS

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
(continued on next page)

Year ended December 31, 2019

	Business-Type Activities – Enterprise Funds			Total Enterprise Funds
	Electric System	Water System	Sewer System	
Cash flows from operating activities:				
Cash received from customers	\$ 5,007,488	\$ 1,044,519	\$ 1,757,769	\$ 7,809,776
Cash payments for materials and services	(3,342,535)	(551,450)	(459,159)	(4,353,144)
Cash payments to employees for services	(860,024)	(331,754)	(496,638)	(1,688,416)
Other cash receipts	63,775	42,837	32,717	139,329
Net cash provided by operating activities	868,704	204,152	834,689	1,907,545
Cash flows from capital and related financing activities:				
Principal paid on general obligation bonds	(329,819)	(41,391)	(537,281)	(908,491)
Interest paid on debt	(48,737)	(2,792)	(62,069)	(113,598)
Acquisition and construction of capital assets	(89,241)	(42,292)	(124,682)	(256,215)
Net cash provided (used) by capital and related financing activities	(467,797)	(86,475)	(724,032)	(1,278,304)
Cash flows from investing activities:				
Interest received	57,551	12,491	25,762	95,804
Net increase in cash and cash equivalents	458,458	130,168	136,419	725,045
Cash and cash equivalents, beginning of year	3,624,644	1,078,509	2,050,747	6,753,900
Cash and cash equivalents, end of year	4,083,102	1,208,677	2,187,166	7,478,945
Cash and cash equivalents	3,923,506	1,149,243	2,187,166	7,259,915
Restricted cash and cash equivalents included in restricted cash and investments	159,596	59,434	–	219,030
Cash and cash equivalents, end of year	\$ 4,083,102	\$ 1,208,677	\$ 2,187,166	\$ 7,478,945

**CITY OF MULVANE, KANSAS**

**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS**  
(continued from previous page)

**Year ended December 31, 2019**

	Business-Type Activities – Enterprise Funds			
	Electric System	Water System	Sewer System	Total Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 435,567	\$ (144,709)	\$ 153,888	\$ 444,746
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	437,858	340,657	646,059	1,424,574
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable	33,256	(4,083)	26,832	56,005
Decrease (increase) in prepaid expenses	(452)	(418)	(275)	(1,145)
Increase (decrease) in salaries and wages payable	4,278	1,902	2,806	8,986
Increase (decrease) in accounts payable	(56,872)	4,236	2,957	(49,679)
Increase (decrease) in compensated absences payable	2,555	1,990	1,084	5,629
Increase (decrease) in customer deposits payable	(23)	(246)	–	–
Increase (decrease) in net pension liability	12,537	4,823	1,338	18,698
Net cash provided by operating activities	<u>\$ 868,704</u>	<u>\$ 204,152</u>	<u>\$ 834,689</u>	<u>\$ 1,907,545</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF MULVANE, KANSAS**

**STATEMENT OF FIDUCIARY NET POSITION –  
ALL AGENCY FUNDS**

**December 31, 2019**

	<u>Agency Funds</u>
Assets:	
Cash including investments	\$     18,898
Liabilities:	
Accrued liabilities payable	<u>18,898</u>
Net position	<u><u>\$           –</u></u>

The accompanying notes are an  
integral part of the financial statements.

**CITY OF MULVANE, KANSAS**  
**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

**Reporting entity**

The City operates under a Mayor-Council form of government consisting of a Mayor and five council persons and provides services to its citizens in the areas of highways and streets, electric, water and sewer utilities, public improvement, public safety, planning and zoning and general administrative services.

As required by generally accepted accounting principles, these financial statements present the City of Mulvane, Kansas (primary government) and its component units, entities for which the City is considered to be financially accountable. The component units discussed in the following paragraphs are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

**Discretely presented component units**

The component unit columns in the financial statements include the financial data of the City's component units, the Mulvane Public Library, the Mulvane Housing Authority and the Mulvane Land Bank. They are reported in a separate column to emphasize that they are legally separate from the City however, the governing body of the component unit is appointed by the City Council. The Mulvane Public Library is accounted for using the same principles as the governmental fund types of the City and the Mulvane Housing Authority is accounted for using the same principles as the business-type funds of the City.

The Mulvane Public Library operates the public library in the City. The Library Board may not purchase or lease a site or erect a building for use of the library without the approval of the City Council. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special revenue fund of the City. The Library Board also receives funding through state assistance programs. The Library Board does not issue separate audited financial statements.

The Mulvane Housing Authority manages Quad County Manor, a 23 unit housing facility that was financed by a forty-year United States Department of Agriculture, Rural Development loan. Occupants of the facility pay rent as a percentage of their annual income. The Mulvane Housing Authority hires a management agent to perform administrative functions including the selection of tenants, collection of rents, payment of expenses and performs or contracts for maintenance of the property. The City provides financial assistance to the Mulvane Housing Authority through the uncharged utility



## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

services for common areas of the facility and the City serves as a guarantor for the Rural Development loan on the facility. Additional financial statement information can be obtained from the Quad County Manor management agent at Quad County Manor, 605 E. Main, Mulvane, Kansas 67110.

The Mulvane Land Bank was established during 2017 and is a quasi-governmental entity with all statutory authority, but with the primary responsibility and authority for maintaining and selling real property located within the City to help achieve the City's goal of returning municipally-owned property to private ownership, cost effectively maintaining said property, ensuring conformance with the goals of the City's Comprehensive Plan, and the encouragement of economic development. The Mulvane Land Bank is governed by a Board of Trustees, which is comprised of the entire membership of the governing body of the City of Mulvane, who shall be voting members, and one additional member appointed by the Mayor who is a non-voting member and who shall be a City staff member. The Mulvane Land Bank is subject to the cash basis and budget laws of the State of Kansas. The Mulvane Land Bank does not issue separate audited financial statements.

### **Blended component unit**

The Mulvane Public Building Commission is governed by a six-member board who shall be the same persons as are then serving as the Mayor and Council Members on the Governing Body of the City of Mulvane. Although it is legally separate from the City, the Mulvane Public Building Commission is reported as if it were part of the primary government because its sole purpose is to finance and construct the City's public buildings. The financial activities of the Mulvane Public Building Commission are reflected in the Mulvane Public Building Commission Special Revenue Fund.

### **Basis of presentation**

The financial statements of the City have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The *Governmental Accounting Standards Board* (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The City's basic financial statements include both government-wide, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

### **Government-wide financial statements**

The government-wide financial statements, consisting of the statement of net position and the statement of activities, display all the nonfiduciary activities of the primary government and its component units. Generally, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

rely to a significant extent on fees and charges for support. In addition, the primary government is reported discretely from the legally separate component units for which the primary government is financially accountable. The statement of net position presents the financial condition of the City and its component units at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipient for goods or services or privileges provided by a given function or activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which a given function or segment is self-financing or draws from the general revenues of the City.

### **Fund financial statements**

During the year, the City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at a more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is reported in a separate column. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

### **Measurement focus and basis of accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property tax revenues to be available in the period for which levied and other revenues if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property taxes, charges for services and interest associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Agency funds are custodial in nature and report only assets and liabilities. Accordingly, agency funds do not measure results of operations however, they use the accrual basis of accounting to recognize assets and payables.

The City reports the following major governmental funds:

**General Fund** – The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

**Employee Benefits Fund** – The Employee Benefits Fund is used to account for and report the City's portion of social security taxes, retirement plan contributions, workers compensation insurance premiums and unemployment insurance contributions applicable to the governmental funds' payrolls. Financing is principally provided by taxes.

**Debt Service Fund** – The Debt Service Fund is used to account for the resources accumulated and payments made for principal and interest on long-term debt general obligation debt of governmental funds.

The City reports the following major proprietary funds:

**Electric System Fund** – The Electric System Fund is used to account for the operation of the municipal electric utility including the production and distribution of electricity.

**Water System Fund** – The Water System Fund is used to account for the operation of the municipal water utility including water supply, treatment and distribution.

**Sewer System Fund** – The Sewer System Fund is used to account for the operation of the municipal sewer utility including the collection and treatment of wastewater.

The City also reports the following fund types:

**Special Revenue Funds** – Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING (continued)**

Capital Project Funds – The capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds.

Agency Funds – The agency funds are used to report resources held by the City in a custodial capacity for remittance of fiduciary resources to individuals, private organizations or other governments. The only agency fund maintained by the City is a payroll clearing fund to account for moneys held on behalf of City employee's payroll for related payroll taxes, retirement contributions, insurance and other authorized withholdings by City employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for franchise fees and other charges between the City's enterprise funds and various other functions of government and the costs of the City's self-insurance program reported in the General Fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. In addition, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for Enterprise and Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these criteria are reported as nonoperating revenues and expenses.

Property taxes are not susceptible to accrual. Sales taxes collected and held by the State at year-end on behalf of the City are recognized as revenue. In addition, gaming facility revenues collected and held by the State at year-end on behalf of the City are recognized as revenue. Recognized state shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes and consequently, for revenue recognition purposes, amounts collected and held by the State on behalf of the City at year-end are not due and receivable until the ensuing year.

Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING (continued)**

Licenses, fees, fines, forfeitures and other revenue are generally not susceptible to accrual and are recorded when received in cash.

### **Cash and short-term investments**

Cash and short-term investments include amounts in demand deposit, money market accounts and certificates of deposit. Investments are carried at fair value. Deposits are reported at their cost, which approximates fair value. For purposes of the statement of with a maturity date of three months or less when purchased to be cash equivalents. Interest income is credited to the investing fund based on their average monthly balances.

### **Property taxes and other receivables**

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as unearned revenue on the balance sheets of the appropriate funds. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Recognized State-shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year-end are not due and receivable until the ensuing year.

Federal and state grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

### **Special assessments receivable**

As required by State statutes, projects financed in part by special assessments are financed through the issuance of general obligation bonds that are secured by the full faith and credit of the City and are retired from the City's debt service fund. Further, State statutes permit levying additional general ad valorem property taxes in the City's debt service fund to finance delinquent special assessments receivable. Special assessments paid prior to the

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING (continued)**

issuance of bonds are recorded as revenue in the appropriate construction project. Special assessments received after the issuance of bonds are recorded as revenue in the debt service fund. Special assessment taxes are levied over a ten or fifteen-year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. At December 31, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund and accrued as revenues in the statement of net position. Since they are not considered available spendable resources for the funds statement, the special assessment receivable are reported as unearned revenue in the funds statement.

### **Revenue recognition for utility funds**

Revenue is recorded as billed to customers on a cycle basis. Residential and commercial customers are billed monthly. The uncollected portion of billed services through December 31 is reflected as accounts receivable and estimates of unbilled service at December 31 are also reflected in accounts receivable in the financial statements.

### **Inventories and prepaid expenditures**

The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased. The inventory of consumable supplies is not considered significant to the City's financial statements.

Prepaid expenses, which benefit future periods, are recorded as expenditures during the year of purchase in the governmental fund financial statements.

### **Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, curbs or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial individual cost of \$5,000. Capital assets are valued at historical cost, or estimated historical cost (if actual historical cost is not available). The historical cost, or estimates of historical cost, for the City's infrastructure assets include only those assets acquired subsequent to January 1, 1980. Donated capital assets are reported at acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. For proprietary funds, interest costs incurred to bring certain assets to the condition and location necessary for their intended use are capitalized as part of the historical cost of acquiring the assets. Additionally, in situations involving the acquisition of certain assets financed with the proceeds of tax-exempt borrowing, any interest earned on related interest-bearing investments from such proceeds are offset against the related

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING (continued)

interest costs in determining either capitalization rates or limitations on the amount of interest costs to be capitalized.

Property, plant and equipment of the primary government and its component unit is depreciated using the straight line method over the following estimated useful lives:

Utility plant in service	28 – 50 years
Buildings	15 – 40 years
Improvements other than buildings	28 – 50 years
Infrastructure (streets)	20 years
Machinery and equipment	5 to 20 years

### **Compensated absences**

The City's policies regarding vacation permits full-time employees with one year of service to earn 1 week of vacation pay, two to nine years of service earn 2 weeks of vacation pay, ten to fourteen years of service earn 3 weeks of vacation pay, fifteen to nineteen years of service earn 4 weeks of vacation pay, twenty to twenty-nine years of service earn 5 weeks of vacation pay and thirty or more years of service earn 6 weeks of vacation pay per year. One week of vacation pay may be carried over into the next year. Accumulated vacation pay is limited to one week. At termination, an employee shall be compensated for all accumulated vacation pay. All permanent full-time employees earn one-half day of sick leave for every full two-week pay period of continuous employment with 120 days as the maximum amount of sick leave that can be accumulated. Any unused sick leave over the maximum is paid to the employee on the last check of the year at a rate of 50% of the normal rate of pay for the employee. Upon retirement, an employee in good standing shall be paid for any accumulated sick leave up to the maximum at the rate of 50% of the normal rate of pay for the employee. The liabilities are based on current salary costs and the vested portion of accumulated benefits. The liability for accrued compensated absences is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee termination or retirement.

### **Accrued liabilities and long-term debt**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, general obligation bonds and capital lease obligations that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount, if significant. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Deferred amounts from bond refundings are being amortized by the interest method over the life of the related revenue bonds in the enterprise funds.

Long-term liabilities for revenue bond obligations and certain general obligation bonds payable are recorded as liabilities in the enterprise funds. Principal payments are deducted from the liability as made.

### **Pension plan**

Substantially all full-time employees are members of the State of Kansas Public Employees' Retirement System, which is a cost sharing multi-employer statewide-defined benefit pension plan. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually by the system's actuary.

### **Concentration of credit risk**

The City routinely grants credit to utility customers, in accordance with applicable utility rate ordinances, all of which are located within the environs of the City. This credit is collateralized with security deposits from new and slow paying customers.

### **Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. In accordance with Governmental Accounting Board Statement No. 10, the City currently reports all its risk management activities in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include payments to cover deductibles and other liabilities related to the City's risk of loss and include an estimate of claims that have been incurred but not reported. At December 31, 2019, there was \$1,850 of accrued liabilities. Changes in the reported liability since December 31, 2019 is as follows:

	Beginning of Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	Claim <u>Payments</u>	End of Year <u>Liability</u>
2018	\$ -0-	\$ 14,206	\$ 14,206	\$ -0-
2019	-0-	18,258	16,408	1,850



## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

At December 31, 2019, General Fund cash and short-term investments of \$275,542 were held for purposes of funding the City's future claims liabilities, including \$-0- at year-end. As a result, \$275,542 of the General Fund balance is restricted for payment of future claims liabilities.

### **Deferred Inflows of Resources/Deferred Outflows of Resources**

A deferred outflow of resources is the consumption of net position that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position applicable to a future reporting period. The City identified certain financial balances that meet the definition of a deferred outflow of resources or a deferred inflow of resources. These items include unamortized deferred costs on bond refundings, property taxes and special assessments receivable and deferred inflows and outflows related to pensions and OPEB.

### **Equity Classifications**

In the government-wide financial statements, equity is reflected as net position and classified into three components:

- Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisitions, construction or improvements of those assets.
- Restricted net position – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.
- Unrestricted net position – all other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

Governmental fund balance classifications are based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be expended. In the governmental funds financial statements, equity is classified into potentially five components:

- Nonspendable – Assets that cannot be spent because they are either (1) not in spendable form; or (2) legally or contractually required to be maintained intact.
- Restricted – Assets with externally imposed constraints such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws or regulations.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- Committed – The committed portion of fund balance can only be used for specific purposes and imposed by formal action of the government's highest level of decision making authority. In the case of the City it is the City Council and the formal action would be an ordinance to modify or rescind the commitment.
- Assigned – The assigned portion of fund balance is comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Council or (2) a body or official to whom the City Council has delegated the authority to. The City Council has delegated authority to the City Administrator or Department Heads to assign amounts to be used for specific purposes. The portion of fund balance that is appropriated by the City Council for next year's budget that is not already restricted or committed is considered assigned. Encumbrances, which can be approved by designated senior staff, are included in the assigned fund balance.
- Unassigned – All amounts not included in the other fund balance classifications. The General Fund shall be the only fund to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

In circumstances when expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

The City's fund balance policy states that the General Fund will be managed in such a way as to maintain a minimum unrestricted fund balance equal to at least three-months annual operating expenditures and transfers out.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### **Budgetary principles**

The City is required by state statute to legally adopt annual operating budgets for the general fund, special revenue funds (unless exempted by specific statute), debt service fund and enterprise funds. The Capital Improvement Reserve, Municipal Equipment Reserve, Water Treatment Plant Improvements, Cedar Brook 5<sup>th</sup> Addition Water Improvements, Cedar Brook 5<sup>th</sup> Addition Sewer Improvements, Cedar Brook 5<sup>th</sup> Addition Street Improvements, Merlin's Glen Street Drainage Improvements, Villa Maria Senior Housing Project, Nottingham Estates Water Improvements, Nottingham Estates Sewer Improvements, Nottingham Estates Street Improvements, Emerald Valley Phase I Water Improvements, Emerald Valley Phase I Sewer Improvements, Emerald Valley Phase I Street Improvements, Emerald Valley Phase I Pond Improvements, Police Building, Cedar Brook 4th and 5th Storm Sewer Improvements and Gilbert Addition Improvements funds

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

are exempted from a legally adopted budget. In addition, the Mulvane Public Building Commission is not required to prepare annual budgets. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The original budgets for the following funds were amended during 2019:

<u>Fund</u>	<u>Original Budget</u>	<u>Amended Budget</u>
Debt Service	\$ 2,661,069	\$ 12,261,069
Special Alcohol	—	87,977
Local Sales Tax	868,996	1,375,000

Kansas 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. Management has the authority to revise line items within a department however, changes to total appropriations at the department level must be approved by the City Council.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. For budgetary purposes, encumbrances of the budgeted governmental fund types, representing purchase orders, contracts and other commitments, are reported as a charge to the current year budget. All unencumbered appropriations lapse at the end of the year. In addition, revenues for sales taxes, franchise fees and gaming facility revenue sharing are not recognized as revenues until their date of receipt. Also, interfund receivables and payable transactions are recognized as revenues and expenditures in the respective funds for budgetary purposes.

Controls over spending in funds that are not subject to legal budgets are maintained by other statutes or by the use of internal spending limits established by management.

## 2. DEPOSITS AND INVESTMENTS

Kansas Statutes Annotated (K.S.A.) 9-1401 establishes the depositories that may be used by governmental entities in Kansas. 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 Federal Depository Insurance Corporation 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 9-1405. The City's allocation of cash and investments as of December 31, 2019, is as follows:

Carson Bank	87%
Emprise Bank	13%

### **Custodial credit risk – deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy follows applicable State Statutes and requires deposits to be 100% secured by collateral (pledged securities) valued at market, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. State Statutes define the allowable pledged securities.

At year-end, the carrying amount of the City's deposits was \$13,600,669, with the bank balances of such accounts being \$13,610,469. Of the bank balances, \$528,773 was covered by federal depository insurance and the remaining balance of \$13,081,696 was covered by collateral held by the City's custodial banks in joint custody in the name of the City and its banks and letters of credit pledged to secure City deposits. The fair value of those pledged securities held by the City's custodial investment agencies and letters of credit were \$10,566,588 and \$7,000,000, respectively at December 31, 2019.

The remaining carrying amount of the City's cash and investments at December 31, 2019 consisted of cash on hand of \$700.

The Mulvane Public Library's cash and investments at December 31, 2019 consisted of demand deposit and money market checking accounts. At year-end, the carrying amount of the Library's deposits was \$162,927 with the bank balances of such accounts being

## 2. DEPOSITS AND INVESTMENTS (continued)

\$160,768. The bank balances were entirely secured by FDIC insurance at December 31, 2019.

The Mulvane Housing Authority's cash and investments at December 31, 2019 consisted of savings and money market checking accounts. At year-end, the carrying amount of the Authority's deposits was \$40,692 with the bank balances of such accounts being \$40,692. The bank balances were entirely secured by FDIC insurance at December 31, 2019.

The Mulvane Land Bank cash and investments at December 31, 2019 consisted of a checking account and the carrying amount of the Mulvane Land Bank deposit was \$59,329 with the bank balance of such accounts being \$59,329. The bank balance was entirely secured by FDIC insurance at December 31, 2019.

## 3. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2019</u>
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 465,014	\$ —	\$ —	\$ 465,014
Construction work in progress	<u>795,147</u>	<u>64,220</u>	<u>795,147</u>	<u>64,220</u>
	<u>1,260,161</u>	<u>64,220</u>	<u>795,147</u>	<u>529,234</u>
Capital assets being depreciated:				
Buildings	8,198,320	900,926	—	9,099,247
Improvements other than buildings	3,811,573	—	17,601	3,793,972
Infrastructure	36,861,668	—	—	36,861,668
Machinery and equipment	<u>6,394,764</u>	<u>804,956</u>	<u>154,504</u>	<u>7,045,216</u>
Total capital assets being depreciated	<u>55,266,325</u>	<u>1,705,882</u>	<u>172,105</u>	<u>56,800,103</u>

### 3. CHANGES IN CAPITAL ASSETS (continued)

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Less accumulated depreciation for:				
Buildings	\$ 1,792,304	\$ 235,928	\$ —	\$ 2,028,232
Improvements other than buildings	1,182,361	91,424	17,601	1,256,186
Infrastructure	20,581,808	881,458	—	21,463,266
Machinery and equipment	<u>4,433,460</u>	<u>471,945</u>	<u>154,504</u>	<u>4,750,901</u>
Total accumulated depreciation	<u>27,989,933</u>	<u>1,680,755</u>	<u>172,105</u>	<u>29,498,585</u>
Total capital assets being depreciated, net	<u>27,276,392</u>	<u>25,127</u>	<u>—</u>	<u>27,301,519</u>
Governmental activities capital assets, net	<u>\$ 28,536,553</u>	<u>\$ 89,347</u>	<u>\$ 795,147</u>	<u>\$ 27,830,753</u>
<u>Business-Type Activities:</u>				
Capital assets, not being depreciated				
Land	\$ 676,863	\$ —	\$ —	\$ 676,863
Construction Work in Progress	<u>18,292</u>	<u>—</u>	<u>—</u>	<u>18,292</u>
Total capital assets not being depreciated	<u>695,155</u>	<u>—</u>	<u>—</u>	<u>695,155</u>
Capital assets being depreciated:				
Utility plant	35,270,914	27,120	—	35,298,034
Improvements other than buildings	17,333,141	10,850	—	17,343,991

### 3. CHANGES IN CAPITAL ASSETS (continued)

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Machinery and equipment	\$ 3,866,355	\$ 218,245	\$ —	\$ 4,084,600
Total capital assets being depreciated	<u>56,470,410</u>	<u>256,215</u>	<u>—</u>	<u>56,726,625</u>
Less accumulated depreciation for:				
Utility plant	9,907,239	791,934	—	10,699,173
Improvements other than buildings	7,558,846	384,121	—	7,942,967
Machinery and equipment	<u>2,274,968</u>	<u>248,518</u>	<u>—</u>	<u>2,523,486</u>
Total accumulated depreciation	<u>19,741,053</u>	<u>1,424,573</u>	<u>—</u>	<u>21,165,626</u>
Total capital assets being depreciated, net	<u>36,729,357</u>	<u>(1,168,358)</u>	<u>—</u>	<u>35,560,999</u>
Business-type activities capital assets, net	<u>\$ 37,424,512</u>	<u>\$ (1,168,358)</u>	<u>\$ —</u>	<u>\$ 36,256,154</u>

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	\$ 67,522
Public safety	339,139
Highways and streets (including depreciation of infrastructure assets)	994,097
Culture and recreation	<u>279,997</u>
Total depreciation expense – governmental activities	<u>\$ 1,680,755</u>

### 3. CHANGES IN CAPITAL ASSETS (continued)

Business-type activities:	
Electric System	\$ 437,858
Water System	340,657
Sewer System	<u>646,059</u>
Total depreciation expense – business-type activities	<u>\$ 1,424,574</u>

### 4. LONG-TERM DEBT

The following is a summary of changes in long-term debt transactions of the City for the year ended December 31, 2019:

	Outstanding January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Outstanding December 31, <u>2019</u>	Due Within One Year
<u>Governmental activities</u>					
General obligation bonds	\$24,207,122	\$ 8,335,545	\$11,095,056	\$ 21,447,611	\$ 1,912,675
Mulvane Public Building Commission Revenue bonds	3,965,000	–	1,435,000	2,530,000	540,000
Net pension liability	2,567,748	191,053	294,423	2,464,378	–
Net OPEB liability	356,010	68,538	32,608	391,940	–
Premium on issuance of general obligation bonds	527,337	827,481	179,379	1,175,439	178,111
Premium on issuance of Mulvane Public Building Commission revenue bonds	39,735	–	12,584	27,151	7,842
Compensated absences	<u>337,857</u>	<u>272,403</u>	<u>261,327</u>	<u>348,933</u>	<u>270,115</u>
Total long-term liabilities – Governmental activities	<u>\$32,000,809</u>	<u>\$ 9,695,020</u>	<u>\$13,310,389</u>	<u>\$ 28,385,452</u>	<u>\$ 2,908,743</u>
<u>Business-type activities</u>					
General obligation bonds	\$ 5,805,878	\$ 174,455	\$ 1,082,944	\$ 4,897,389	\$ 847,325
Premium on issuance of general obligation bonds	49,830	–	15,163	34,667	12,183
Net pension liability	855,915	63,686	98,141	821,460	–
Net OPEB liability	118,670	22,844	10,870	130,644	–
Compensated absences	<u>220,452</u>	<u>176,500</u>	<u>170,873</u>	<u>226,079</u>	<u>175,016</u>
Total long-term liabilities – Business-Type activities	<u>\$ 7,050,745</u>	<u>\$ 437,485</u>	<u>\$ 1,377,991</u>	<u>\$ 6,110,239</u>	<u>\$ 1,034,524</u>



#### 4. LONG-TERM DEBT (continued)

##### General obligation bonds

General obligation bonds payable are serial bonds to be retired through calendar year 2034. At December 31, 2019 the bonds consist of the following:

	<u>Interest rates</u>	<u>Bonds outstanding</u>
General Obligation Refunding and Improvement Bonds, Series B, 2012	1.00 – 2.75	\$ 275,000
General Obligation Bonds, Series A, 2013	2.00 – 4.00	360,000
General Obligation Refunding and Improvement Bonds, Series A, 2014	2.00 – 3.50	40,000
General Obligation Refunding and Improvement Bonds, Series A, 2015	2.00 – 2.50	4,620,000
General Obligation Refunding Bonds Series A, 2016	2.00 – 3.00	7,930,000
General Obligation Refunding Bonds, Series B, 2016	1.50 – 2.15	2,405,000
General Obligation Bonds, Series 2018	2.00 – 3.50	2,205,000
General Obligation Refunding Bonds, Series A, 2019	3.00 – 5.00	<u>8,510,000</u>
Total general obligation bonds outstanding		26,345,000
Less debt service from enterprise funds		<u>(4,897,389)</u>
Total general obligation bonds payable from debt service fund		<u>\$ 21,447,611</u>

Remaining debt service requirements for general obligation bonds will be paid from the debt service fund with future property tax revenues and special assessment taxes. Annual debt service requirements to maturity for general obligation bonds to be retired from the debt service fund are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,912,675	\$ 1,012,422	\$ 2,925,097
2021	1,841,856	630,669	2,472,525
2022	1,901,585	564,988	2,466,573
2023	2,163,977	496,835	2,660,812
2024	2,228,362	422,596	2,650,958
2025	2,325,860	348,888	2,674,748
2026	2,236,980	264,536	2,501,516
2027	1,973,908	194,895	2,168,803
2028	938,498	146,227	1,084,725

#### 4. LONG-TERM DEBT (continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2029	\$ 634,955	\$ 118,072	\$ 753,027
2030	654,647	99,024	753,671
2031	625,365	79,384	704,749
2032	645,058	60,623	705,681
2033	669,647	41,673	711,320
2034	<u>694,238</u>	<u>21,007</u>	<u>715,245</u>
	<u>\$ 21,447,611</u>	<u>\$ 4,501,839</u>	<u>\$ 25,949,450</u>

#### General obligation bonds payable from enterprise funds

Remaining debt service requirements for general obligation bonds to be paid from the Electric, Water and Sewer System Funds are as follows:

<u>Year</u>	<u>Electric Utility</u>			<u>Water Utility</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 319,937	\$ 43,553	\$ 363,490	\$ 5,939	\$ 4,785	\$ 10,724
2021	296,700	35,825	332,525	4,060	2,339	6,399
2022	302,641	29,821	332,462	4,305	2,136	6,441
2023	274,921	23,695	298,616	4,445	1,920	6,365
2024	283,395	18,120	301,515	4,655	1,698	6,353
2025	297,920	12,372	310,292	4,900	1,465	6,365
2026	204,135	5,630	209,765	5,215	1,220	6,435
2027	3,140	548	3,688	5,495	960	6,455
2028	3,220	454	3,674	5,635	795	6,430
2029	1,960	358	2,318	3,430	626	4,056
2030	2,020	299	2,319	3,535	523	4,058
2031	1,880	238	2,118	3,290	417	3,707
2032	1,940	182	2,122	3,395	318	3,713
2033	2,020	45	2,065	3,535	79	3,614
2034	<u>2,100</u>	<u>63</u>	<u>2,163</u>	<u>3,675</u>	<u>110</u>	<u>3,785</u>
	<u>\$ 1,997,929</u>	<u>\$ 171,203</u>	<u>\$ 2,169,132</u>	<u>\$ 65,509</u>	<u>\$ 19,391</u>	<u>\$ 84,900</u>

<u>Year</u>	<u>Sewer Utility</u>			<u>Total Utilities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 521,449	\$ 62,945	\$ 584,394	\$ 847,325	\$ 111,283	\$ 958,608
2021	477,384	49,698	527,082	778,144	87,862	866,006
2022	486,470	39,985	526,455	793,416	71,942	865,358
2023	336,656	30,080	366,736	616,022	55,695	671,717
2024	348,588	23,166	371,754	636,638	42,984	679,622
2025	366,320	16,005	382,325	669,140	29,842	698,982

#### 4. LONG-TERM DEBT (continued)

Year	Sewer Utility			Total Utilities		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 253,668	\$ 7,647	\$ 261,315	\$ 463,018	\$ 14,497	\$ 477,515
2027	7,458	1,302	8,760	16,093	2,810	18,903
2028	7,648	1,079	8,727	16,503	2,328	18,831
2029	4,655	849	5,504	10,045	1,833	11,878
2030	4,797	710	5,507	10,352	1,532	11,884
2031	4,465	566	5,031	9,635	1,221	10,856
2032	4,608	432	5,040	9,943	932	10,875
2033	4,797	107	4,904	10,352	231	10,583
2034	4,988	150	5,138	10,763	323	11,086
	<u>\$2,833,951</u>	<u>\$ 234,721</u>	<u>\$3,068,672</u>	<u>\$ 4,897,389</u>	<u>\$ 425,315</u>	<u>\$ 5,322,704</u>

#### Mulvane Public Building Commission revenue bonds

The Mulvane Public Building Commission revenue bonds are serial bonds to be retired through calendar year 2028. At December 31, 2019 the bonds consist of the following:

	<u>Interest rates</u>	<u>Bonds outstanding</u>
Mulvane Public Building Commission Refunding Revenue Bonds, Series 2009 (Fire/EMS Facility)	1.25 – 4.00	\$ 240,000
Mulvane Public Building Commission Revenue Bonds, Series A 2014 (Public Library)	2.00 – 2.125	1,290,000
Mulvane Public Building Commission Revenue Bonds, Series A 2018 (Police Building)	3.00	<u>1,000,000</u>
		<u>\$ 2,530,000</u>

Remaining debt service requirements for the Mulvane Public Building Commission Series 2009 and 2018 revenue bonds will be paid by the Mulvane Public Building Commission from the lease payments received from the City of Mulvane, which are provided with future property tax revenues to be levied in the General Fund and other resources available to the City. The remaining debt service requirements for the Mulvane Public Building Commission Series 2014 revenue bonds will be paid from the lease payments received from the City of Mulvane. It is anticipated that the lease payments will be made from the proceeds of a 1% City-wide sales tax for the special purpose of paying the cost of financing, site preparation, acquisition, construction, improvement, installation, furnishing and equipping a new public library within the City. The special sales tax was approved by

#### 4. LONG-TERM DEBT (continued)

the voters of the City in June 2014 and became effective October 1, 2014 and will expire on the 30<sup>th</sup> day of September 2024, or such earlier date as all obligations incurred have been paid in full. During 2019, the revenues from the special sales tax were \$759,871 with the debt service payments totaling \$1,373,505.

Annual debt service requirements to maturity for the revenue bonds are as follows:

Year	Series 2009 Revenue Bonds			Series 2014 Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 120,000	\$ 9,360	\$ 129,360	\$ 420,000	\$ 25,800	\$ 445,800
2021	120,000	4,800	124,800	430,000	17,400	447,400
2022	—	—	—	440,000	8,800	448,800
	<u>\$ 240,000</u>	<u>\$ 14,160</u>	<u>\$ 254,160</u>	<u>\$ 1,290,000</u>	<u>\$ 52,000</u>	<u>\$ 1,342,000</u>

Year	Series 2018 Revenue Bonds			Total Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ —	\$ 30,000	\$ 30,000	\$ 540,000	\$ 65,160	\$ 605,160
2021	—	30,000	30,000	550,000	52,200	602,200
2022	—	30,000	30,000	440,000	38,800	478,800
2023	—	30,000	30,000	—	30,000	30,000
2024	—	30,000	30,000	—	30,000	30,000
2025	240,000	30,000	270,000	240,000	30,000	270,000
2026	245,000	22,800	267,800	245,000	22,800	267,800
2027	255,000	15,450	270,450	255,000	15,450	270,450
2028	260,000	7,800	267,800	260,000	7,800	267,800
	<u>\$ 1,000,000</u>	<u>\$ 226,050</u>	<u>\$ 1,226,050</u>	<u>\$ 2,530,000</u>	<u>\$ 292,210</u>	<u>\$ 2,822,210</u>

#### **Net pension liability**

The governmental funds portion of the liability for pension-related debt is principally liquidated from the City's General Fund. The total net pension liability has been allocated to the business-type activities based on their respective covered payroll for the year ended December 31, 2019.

#### **Compensated absences**

The governmental funds portion of outstanding compensated absence liabilities is principally liquidated from resources of the General Fund.

#### 4. LONG-TERM DEBT (continued)

##### Conduit debt

The City has issued limited obligation bonds for the purpose of financing capital activities of unrelated third parties. Although conduit debt obligations bear the name of the City, they are payable solely from resources provided by leases or loans with the third parties on whose behalf they were issued. The bonds do not constitute an indebtedness or pledge of the faith or credit of the City of Mulvane, and accordingly, are not included as liabilities in the accompanying financial statements. The following is a summary of conduit debt transactions for the year ended December 31, 2019:

	Outstanding January 1, <u>2019</u>	<u>Additions</u>	<u>Deletions</u>	Outstanding December 31, <u>2019</u>
Villa Maria, Inc. Health Care Facility Refunding And Improvement Revenue Bonds, Series 2017	\$ 4,921,534	\$ —	\$ 179,294	\$ 4,742,240

##### Bond Refunding

On July 9, 2019, the City entered into a refunding transaction whereby it issued \$8,510,000 of General Obligation Refunding Bonds, Series A, 2019, with interest rates from 3.00% to 5.00%, to refund \$2,430,000 of outstanding General Obligation Bonds, Series B 2012 with interest rates from 2.00% to 2.75%, \$6,380,000 of outstanding General Obligation Bonds, Series A 2013 with interest rates from 2.25% to 4.00% and \$450,000 of outstanding General Obligation Refunding and Improvement Bonds, Series A 2014 with interest rates from 2.00% to 3.50%. Proceeds from the Series A 2019 Bonds, including the premium received thereon, in the amount of \$9,221,607 were placed in a trust with the City's escrow paying agent, the Security Bank of Kansas City, Kansas City, Kansas, to provide for the principal amount and interest to the call date, October 1, 2019.

The City entered into the refunding transaction to reduce its total debt service payments over the next fifteen years by \$791,192 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$646,226.

#### 5. CAPITAL PROJECT FUND AUTHORIZATIONS

At December 31, 2019, individual project authorizations compared with project expenditures from inception which are reported within the Capital Projects Fund are as follows:

## 5. CAPITAL PROJECT FUND AUTHORIZATIONS (continued)

<u>Project</u>	<u>Project authorizations</u>	<u>Expenditures project inception to December 31, 2019</u>
Water Treatment Plant Improvements	\$ 7,000,000	\$ 6,117,841
Cedar Brook 5 <sup>th</sup> Addition Water Improvements	128,700	79,866
Cedar Brook 5 <sup>th</sup> Addition Sewer Improvements	125,400	70,617
Cedar Brook 5 <sup>th</sup> Addition Street Improvements	364,320	269,123
Merlin's Glen Street Drainage Improvements	82,732	55,994
Villa Maria Senior Housing Project	306,013	201,818
Nottingham Estates Addition Water Improvements	164,970	115,869
Nottingham Estates Addition Sewer Improvements	292,740	172,812
Nottingham Estates Addition Street Improvements	520,650	361,380
Emerald Valley Phase 1 Addition Water Improvements	211,787	110,219
Emerald Valley Phase 1 Addition Sewer Improvements	237,159	198,906
Emerald Valley Phase 1 Addition Street Improvements	546,039	380,700
Emerald Valley Phase 1 Addition Pond Improvements	283,257	178,334
Gilbert Addition Improvements	129,490	55,740
Police Building	1,024,118	1,024,099

## 6. PENSION PLAN

### Plan description

The City participates in the Kansas Public Employees Retirement System, a cost sharing multiple employer defined benefit pension plan. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74-4901 *et. seq.*:

Public employees, which includes:

- State/School employees
- Local employees

Police and Firemen

Judges

## **6. PENSION PLAN (continued)**

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the local employees group.

KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS, 611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603-3803, by calling 1-888-275-5737 or via KPERS website at [www.kpers.org](http://www.kpers.org).

### **Benefits provided**

Benefits are established by statute and may only be changed by the Legislature. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Members (except Police and Firemen) with ten or more years of credited service may retire as early as age 55 (Police and Firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of credited service equal 85 "points" (Police and Firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

## 6. PENSION PLAN (continued)

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

### Contributions

Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation for each of the three state wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers, which includes the state and the school employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rates and the statutory contribution rates are as follows:

	Actuarial Employer Rate	Statutory Employer Capped Rate
State employees	8.28%	13.21%
School employees	14.59	13.21
State/School employees (combined rate) (1)	13.23	13.21
Local government employees	8.89	8.89
Police and Firemen	22.13	22.13
Judges	14.68	14.68

(1) The State/School subgroups are combined into one group for purposes of determining a contribution rate.

Rates shown for KPERS State, School and Judges represent the rates for the fiscal year ending June 30. KPERS Local and KP&F rates are reported for the calendar year.

Member contribution rates as a percentage of eligible compensation in fiscal year 2019 are 6.00% for Public Employees, 7.15% for Police and Firemen, and 6.00% or 2.00% for Judges.



## 6. PENSION PLAN (continued)

### Employer Allocations

Although KPERS administers one cost sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State
- School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group as of June 30, 2019 are based on the ratio of each employer's contributions to total employer and nonemployer contributions of the group for the fiscal year ended June 30, 2019. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2019, the City's proportion was .235144%, which was an decrease of .010493% from its proportion measured at June 30, 2018.

### Receivables

In addition to statutorily determined contractually required contributions, certain agencies also make payments through an additional component of their required employer contribution rate or annual installment payments. Both options include interest at 8% per year, for the cost of service credits granted retroactively when the agencies initially joined the retirement system. As of June 30, 2019, the outstanding balance was \$4,196,871. These payments are due over various time periods up through December 31, 2032.

The 2016 Legislature passed Senate Bill 161 authorizing the delay of \$64.1 million in Fiscal Year 2017 contributions. Repayment is scheduled to be made in a series of twenty annual payments of \$6.4 million which began in Fiscal Year 2018. Senate Sub for HB 2002 authorized the delay of \$194 million in Fiscal Year 2019 school contributions. Repayment is scheduled to be made in a series of twenty annual payments of \$19.4 million beginning in Fiscal Year 2020. These amounts have been set up as receivables, with the balance at June 30, 2019 was \$255,304,367.

## 6. PENSION PLAN (continued)

### Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions

At December 31, 2019, the City reported a liability of \$3,285,838 for its proportionate share of the net pension liability. 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 that date.

For the year ended December 31, 2019, the City recognized pension expense of \$91,982. At December 31, 2019 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City contributions subsequent to the measurement date	\$ 197,331	\$ —
Differences between expected and actual experience	7,193	82,751
Net difference between projected and actual earnings on pension plan investments	77,305	—
Changes in assumptions	100,427	6,660
Changes in proportion	<u>138,212</u>	<u>187,038</u>
Total	<u>\$ 520,468</u>	<u>\$ 276,449</u>

The City reported \$197,331 as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2020	\$ 82,928
2021	(38,279)
2022	7,604
2023	(7,524)
2024	(3,456)
Thereafter	—

## 6. PENSION PLAN (continued)

### Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal
Inflation	2.75 percent
Salary Increase	3.50 to 12.00 percent, including price inflation
Investment Rate of Return	7.75 percent compounded annually, net of investment expense, including price inflation

Mortality rates were based on the RP-2014 Mortality Tables, with age setbacks and age forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016. Different adjustments apply to pre-retirement versus post-retirement versus post-disability mortality tables.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2013 through December 31, 2015. The experience study is dated November 18, 2016.

The actuarial assumption changes adopted by the Pension Plan for all groups based on the experience study:

- Price inflation assumption lowered from 3.00 percent to 2.75 percent
- Investment return assumption was lowered from 8.00 percent to 7.75 percent
- General wage growth assumption was lowered from 4.00 percent to 3.50 percent
- Payroll growth assumption was lowered from 4.00 percent to 3.00 percent

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated November 18, 2016, as provided by KPERS' investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	47.00%	6.85%
Fixed Income	13.00	1.25

## 6. PENSION PLAN (continued)

<u>Asset Class</u>	<u>Long-Term Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Yield Driven	8.00%	6.55%
Real Return	11.00	1.71
Real Estate	11.00	5.05
Alternatives	8.00	9.85
Short-Term Investments	<u>2.00</u>	(0.25)
Total	<u>100.00%</u>	

### Discount rate

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate was based on member and employer contributions as outlined below:

In KPERS, the State/School and Local groups do not necessarily contribute the full actuarial determined rate. Based on legislation first passed in 1993 and subsequent legislation, the employer contribution rates certified by the Board may not increase by more than the statutory cap. The statutory cap for fiscal year 2019 was 1.2 percent.

In recent years, the Legislature has made several changes to statutory rates that deviate from the scheduled contribution increases set under the caps established in 2012 for the State/School group. Under 2015 SB 4, the previously certified State/School statutory rate for fiscal year 2015 of 11.27 percent was reduced to 8.65 percent for the last half of the fiscal year as part of the Governor's allotment. That same session, SB 228 recertified statutory rates for the State/School group to 10.91 percent for fiscal year 2016 and 10.81 percent for fiscal year 2017 in anticipation of the issuance of \$1 billion in pension obligation bonds. Legislation in the 2016 session (SB 161) provided for the delay of up to \$100 million in State and School contributions to the Pension Plan. Legislation passed by the 2017 Legislature removed the repayment provisions included in SB 161.

In addition, 2017 Senate Sub For Substitute HB 2052 delayed \$64.1 million in Fiscal Year 2017 State/School contributions to be repaid over 20 years in level dollar installments. The first year payment of \$6.4 million was paid in full in July 2018, and appropriations for fiscal year 2019 were made at the State/School group statutory contribution rate of 12.01 percent for the State/School group. Additional legislation in the 2017 Session (Senate Sub for HB 2002) provided for a reduction of \$194 million from the previously certified contribution rate of 13.21 percent in the State/School contributions for fiscal year 2019. Like the fiscal year 2017 reduction, it is to be paid back over a 20-year period, beginning in fiscal year 2020. Therefore, both reductions will be accounted for as long-term receivables by the Pension Plan. The 2019 Legislature passed House Sub for Senate Bill 109, which directed on-behalf payments of \$56 million and \$82 million be made to the System. The \$56 million payment was received by the System on June 30, 2018, and recorded as Fiscal

## 6. PENSION PLAN (continued)

Year 2018 contributions. The \$82 million was received July 1, 2019, and was recorded as Fiscal Year 2019 contributions. The 2019 Legislative session passed Senate Bill 9 which authorized a transfer of \$115 million to KPERS, received in March 2019.

Based on employer contribution history as described above, it is a reasonable estimate that the State/School group's contribution rate may not be certified at the statutory rate. It has been assumed that contribution rates will be made within the same range as have been seen in the past few years, between 11 to 12 percent. Using this assumption, actuarial modeling indicates that employer contribution rates for the State/School group are sufficient to avoid a depletion date.

The Local, Kansas Police and Firemen, and Judges groups are contributing at the full actuarial contribution rate.

### **Sensitivity of the net pension liability to changes in the discount rate**

The following table presents the net pension liability of the Pension Plan as of June 30, 2019, calculated using the discount rate of 7.75%, as well as what the Pension Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	June 30, 2019		
	1.00% Decrease (6.75%)	Current Discount Rate (7.75%)	1.00% Increase (8.75%)
Net pension liability	\$4,907,467	\$3,285,837	\$1,929,374

### **Special funding situation**

The employer contributions for non-public school district schools, as defined in K.S.A. 74-4931 (2) and (3), are funded by the State of Kansas on behalf of these employers. Therefore, these employers, area vocational-technical schools and community junior colleges, are considered to be in a special funding situation as defined by *Governmental Accounting Standards Board (GASB) Statement No. 68*. The State is treated as a nonemployer contributing entity in the System. Since these employers do not contribute directly to the System for active employees, there is no net pension liability or deferred inflows or outflows to report in their financial statements for active employees. The notes to their financial statements for these entities must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the non-public school district employer. In addition, each non-public school district employer must recognize the pension expense associated with their employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective net pension expense associated with their employer.

## 6. PENSION PLAN (continued)

A number of these employers make contributions directly to KPERS for KPERS retirees filling KPERS covered position per K.S.A. 74-4937, “working after retirement” employees. The resulting proportional share of these agencies’ “working after retirement” contributions and resulting net pension liability are attributable to the employer.

### Pension plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued KPERS financial report.

## 7. BUDGETARY DATA

As described in Note 1, the actual data presented in the budgetary comparison statements differ from data presented in accordance with generally accepted accounting principles (GAAP) for the governmental fund types. The following reconciliation's are presented to provide a correlation between the different bases of reporting:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Other Nonmajor Govern- mental Funds</u>
GAAP Fund Balance at December 31, 2019	\$ 3,905,131	\$ 221,115	\$ 2,184,317
Adjustments:			
Reserved for self-insurance	(275,542)	—	—
Accrued sales tax revenues	(71,438)	—	(63,360)
Accrued franchise fee revenues	(36,464)	—	—
Accrued gaming facility revenues	(165,804)	—	—
Other receivables	—	—	(93,334)
Reserved for encumbrances – budgeted funds	(199,628)	—	(81,457)
Fund balances of nonbudgeted special revenue funds	<u>—</u>	<u>—</u>	<u>(584,600)</u>
Budgetary Fund Balance at December 31, 2019	<u>\$ 3,156,255</u>	<u>\$ 221,115</u>	<u>\$ 1,361,566</u>

## 8. INTERFUND TRANSFERS

A summary of interfund transfers by individual fund for 2019 is as follows:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
Major Funds:		
General	\$ —	\$ 156,000
Debt Service	<u>6,238</u>	<u>—</u>
	<u>6,238</u>	<u>156,000</u>

## 8. INTERFUND TRANSFERS (continued)

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
Nonmajor Funds:		
Senior Citizens	\$ 25,000	\$ —
Municipal Equipment Reserve	38,000	—
Swimming Pool	93,000	—
Water Treatment Plant	—	163
Cedar Brook 5 <sup>th</sup> Addition Street Improvement	—	1,531
Villa Maria Senior Housing Project	—	2,667
Nottingham Estates Water Improvements	—	663
Emerald Valley Phase 1 Sewer Improvements	—	1,178
Cedar Brook 4 <sup>th</sup> & 5 <sup>th</sup> Storm Sewer Improvements	—	36
	<u>156,000</u>	<u>6,238</u>
	<u>\$ 162,238</u>	<u>\$ 162,238</u>

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which the resources are received or reside to the fund in which the resources will be expended.

Transfers from the General Fund to the Municipal Equipment Reserve Fund in the amount of \$38,000 are related to equipment replacement reserves. Transfers from the General Fund to the Swimming Pool Fund (\$93,000) and also to the Senior Citizens Fund (\$25,000) are routinely made to support those functional operations.

The Debt Service Fund received non-routine transfers from Water Treatment Plant Fund , Cedar Brook 5<sup>th</sup> Addition Street Improvement Fund, Villa Maria Senior Housing Project Fund, Nottingham Estates Water Improvements Fund, Emerald Valley Phase 1 Sewer Improvements Fund and Cedar Brook 4<sup>th</sup> & 5<sup>th</sup> Storm Sewer Improvements Fund in the aggregate total of \$6,238, to transfer the residual balances in the project funds to the Debt Service Fund upon completion of the projects.

## 9. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

### Health Insurance

As provided by K.S.A. 12-5040, the City is required to allow retirees to participate in its group health insurance plan. While each retiree is required to pay the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy, if any, has not been quantified in these financial statements. It is management's opinion that the effect on the City's financial statements is not significant.

## **9. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and their eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid entirely by the insured and there is no cost to the City under this program.

### **KPERS Death and Disability OPEB Plan**

#### **Plan description**

The City participates in an agent multiple-employer defined benefit other postemployment benefit (OPEB) plan which is administered by KPERS. The Plan provides long-term disability benefits and life insurance benefits for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. Because the trust's assets are used to pay employee benefits other than OPEB, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Accordingly, the Plan is considered to be administered on a pay-as-you go basis. There is no stand-alone financial report for the Plan.

#### **Benefits provided**

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3%) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver premium provision.

#### **Long-term disability benefit**

Monthly benefit is 60% of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, worker's compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while disability continues until the member's 65<sup>th</sup> birthday or retirement date, whichever occurs first. If the disability occurs after age 60, benefits are payable while disability continues, for a period of 5 years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the term of the disability or 24 months per lifetime, whichever is less. There are no automatic cost-of-living increase provisions. KPERS has the authority to implement an ad hoc cost-of-living increase.



## 9. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

### Group waiver of premium benefit

Upon the death of an employee who is receiving monthly disability benefits, the plan will pay a lump-sum benefit to eligible beneficiaries. The benefit amount will be 150% of the greater of the member's annual rate of compensation at the time of the disability or the member's previous 12 months of compensation at the time of the last date of payroll. If the member has been disabled for 5 or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index before the life insurance benefit is computed. The indexing is based on the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefits rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual life insurance plan.

### Members covered by benefit terms

As of the valuation date of December 31, 2018, the following employees were covered by the benefit terms:

Active employees	75
Disabled members	<u>2</u>
Total	<u><u>77</u></u>

### Total OPEB liability

The City's total OPEB liability of \$522,586 was measured as of June 30, 2019, and was determined by an actuarial valuation as of December 31, 2018.

### Actuarial assumptions and other inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included measurement, unless otherwise noted:

Price inflation	– 2.75 percent
Payroll growth	– 3.00 percent
Discount rate	– 3.50 percent
Salary increases	– 3.50 percent (composed of 2.75 percent inflation and .75 percent productivity)
Actuarial cost method	– Entry Age Normal
Healthcare cost trend rates	– Not applicable for the coverage in this plan
Retiree share of benefit cost	– Not applicable for the coverage in this plan

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

## 9. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

Mortality rates were based on the RP-2014 Mortality tables, as appropriate, with adjustments for mortality improvements based on Scale MP-2019.

The actuarial assumptions used in the December 31, 2017 valuation were based on an actuarial experience study for the period July 1, 2013 – June 30, 2015. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2017 KPERS pension valuation.

Changes and items of impact relative to the prior valuation were as follows.

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

### Changes in the total OPEB liability

	<u>Total OPEB Liability</u>
Changes for the year:	
Service cost	\$ 16,641
Interest cost	18,382
Effect of economic/demographic gains or losses	31,780
Effect of assumptions changes or inputs	14,083
Benefit payments	<u>(32,982)</u>
Net changes	47,904
Net OPEB liability at beginning of year	<u>474,680</u>
Net OPEB liability at end of year	<u><u>\$ 522,584</u></u>

### Changes in assumptions

Changes in assumptions and other inputs reflect the effects of changes in the discount rate for each period. The discount rate decreased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.

**9. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)**

**Sensitivity of the total OPEB liability to changes in the discount rate**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50 percent) or 1 percentage point higher (4.50 percent) than the current discount rate:

	1.00% Decrease (2.50%)	Current Discount Rate (3.50%)	1.00% Increase (4.50%)
City's total OPEB liability	\$ 563,673	\$ 522,584	\$485,710

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates**

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB Statement No. 75.

	1.00% Decrease	Current Trend Assumption	1.00% Increase
City's total OPEB liability	\$ 522,586	\$ 522,586	\$ 522,586

**OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB**

For the year ended December 31, 2019, the City recognized OPEB expense of \$4,461. At December 31, 2019 the City reported inferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 48,483	\$ —
Changes in assumptions	12,637	27,595
Contributions subsequent to the measurement date	<u>22,198</u>	<u>—</u>
Total	<u>\$ 83,318</u>	<u>\$ 27,595</u>

## 9. OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (continued)

The deferred outflow of resources related to the benefit payments subsequent to the measurement date totaling \$22,197 consist of payments made to KPERS for benefits and administrative costs, and will be recognized as a reduction in the total OPEB liability during the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2020	\$ 3,349
2021	3,349
2022	3,349
2023	3,349
2024	3,349
2025 and thereafter	16,781

## 10. TAX ABATEMENTS

In 2017, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*. The objective of GASB Statement No. 77 is to improve financial reporting by giving financial statement users essential information regarding the nature and magnitude of tax abatements. The City operates two economic development programs that qualify as tax abatements under GASB No. 77. Those programs are summarized as follows.

### Neighborhood Revitalization Programs Property Tax Abatements

The City participates in the Sumner County Neighborhood Revitalization Plan (NRP), which was effective July 1, 2014 and approves property tax abatements in accordance with K.S.A. 79-201a Second and Twenty-Fourth and K.S.A. 12-1740 to 12-1749d, inclusive. The NRP incentive program requires that the construction of an improvement must have been commenced on or after July 1, 2014. Rehabilitation, alterations and additions to any existing residential structure, including the alteration of a single-family home into a multi-family dwelling, shall be eligible. The rebate period will be for a period of 5 years with the rebate amount being 95% of the increased valuation from such improvements. Rehabilitation, alterations and additions to any existing commercial structure used for retail, office, manufacturing, warehousing, institutional and agricultural or other commercial or industrial purpose shall be eligible. The rebate period will be for a period of 5 years with the rebate amount being 95% of the increased valuation from such improvements. Properties within the City of Mulvane located within Sumner County are eligible. Upon timely payment in full of all real estate tax and special assessments for the property, a rebate of the taxes related to the valuation improvement (less an administrative fee not to exceed 10% to be retained by Sumner County, Kansas) will be made to the property owner. Sumner County issues the rebate checks directly to the individual taxpayers. All taxing subdivisions overlapping the City of Mulvane located within Sumner County participate in this NRP program.

## **10. TAX ABATEMENTS (continued)**

For the year ended December 31, 2019, the City abated property taxes totaling \$7,434 under the NRP program.

### **Industrial Revenue Bond Tax Abatements**

The City negotiates property tax abatement agreements on an individual basis. The City has one entity with outstanding industrial revenue bonds however, that entity is a nonprofit adult care home, which is exempt from property taxes under the provisions of Kansas State Statutes.

The City expects property tax abatements to help achieve some or all of the following objectives:

- Retention and/or expansion of existing businesses located in the City;
- Diversification of the local economy;
- Positive net impact on the City or a particular areas of the City where economic assistance is needed;
- Enhance the City's economic climate and increase/maintain the City's job market;
- Increase the property tax base of commercial properties to further support the cost of City services;
- Enhance the City's credit worthiness by broadening the tax base;
- Promote the completion of existing City Business Park and encourage development of new business enterprises.

## **11. COMMITMENTS AND CONTINGENCIES**

### **Casino Operations and Commitments**

In 2007, the State of Kansas enacted legislation authorizing casino gaming in Kansas and established four gaming zones. One gaming zone was established for south central Kansas encompassing Sedgwick and Sumner Counties and allowing for the construction of one single facility. In August 2007, voters of Sedgwick County chose not to allow a casino to be built in the County leaving only certain sites in Sumner County.

On October 19, 2010 the Kansas Lottery Commission executed a Lottery Gaming Facility Management Contract (Management Contract) with Peninsula Gaming Partners, LLC and on December 15, 2010 the Lottery Gaming Review Board selected the Management Contract proposed by Peninsula Gaming Partners, LLC and on January 14, 2011 the Kansas Racing and Gaming Commission approved the Management Contract. On January 31, 2011, Peninsula Gaming Partners, LLC assigned the Management Contract to Kansas Star Casino, LLC. The governing body of the City of Mulvane entered into a Developer's Agreement with Kansas Star Casino, LLC on March 7, 2011. The development site is located at Exit 33 of the Kansas Turnpike and is located within the corporate limits of the City.

## **11. COMMITMENTS AND CONTINGENCIES (continued)**

The facility is being constructed in phases with the temporary casino being opened in December 2011. The second phase of the development included an expanded gaming center, a 300-room hotel, a 40-space recreational vehicle park, a 4,200-seat events center and a 24-acre Equine Center. The expanded gaming center and hotel was completed during 2012 with the remaining portions of the facility being developed thereafter. Under the terms of the Developer's Agreement, the City contracted for an architectural and engineering firm to perform a utility needs assessment to provide the City with recommendations concerning the modifications and necessary additions to the current utilities being operated by the City. The City has installed sanitary sewer, water and electrical improvements as requested by the Kansas Star Casino, LLC with the entire cost of such improvements being assessed against the Kansas Star site.

Peninsula Gaming Partners, LLC was purchased by Boyd Gaming Corporation in May 2012. Boyd Gaming Corporation assumed the Peninsula Gaming Partners, LLC Management Contract with the Kansas Lottery Commission.

The City receives 1% of the gaming revenues from the Kansas Star Casino each month, which is distributed by the State of Kansas.

The Kansas Star Casino, LLC (Casino) has protested its property valuation within Sumner County for 2012, 2013, 2014, 2015 and 2016. Upon appeal, the Court of Appeals reduced the Casino's assessed valuation in 2012 from \$22.7 million to \$20.1 million. The Court of Appeals decision was appealed, but the Kansas Supreme Court declined to hear the case and such valuation stands. Sumner County issued a refund for 2012 property taxes to the Casino. The City received notification from Sumner County on March 22, 2018 that the property tax distribution to the City for June 5, 2018 would be reduced by \$122,025 to account for the City's portion of the 2012 refund.

The Casino also appealed the 2013 assessed valuation of \$56.5 million and the 2014 assessed valuation of \$38.8 million. The Board of Tax Appeals has ruled that the Casino's assessed valuation for 2013 is approximately 26.3 million and for 2014 is approximately \$24.4 million. The Board's rulings were appealed. The 2013 and 2014 cases were consolidated and heard by the Court of Appeals in February 2018. The Court of Appeals found the 2013 assessed valuation was approximately \$37 million and Sumner County issued a refund for 2013 taxes of \$2,732,132. The City received notification from Sumner County on October 12, 2018 that the property tax distribution to the City scheduled for January 20, 2019 would be reduced by \$819,595 to account for the City's portion of the 2013 refund.

The Casino appealed the 2015 assessed valuation of \$44.1 million. The Board of Tax Appeals ruled that the Casino's assessed valuation for 2015 is approximately \$25 million. The 2014 and 2015 cases were consolidated on appeal and the Court of Appeals remanded the cases to the Board of Tax Appeals for further fact finding.

## **11. COMMITMENTS AND CONTINGENCIES (continued)**

The valuations for 2016 and 2017 were also appealed to the Board of Tax Appeals, which ruled the assessed valuations for both years were approximately \$25 million. These rulings have been appealed and no decision has yet been issued by the Court of Appeals.

If the Casino is successful in reducing its assessed valuations for 2014 and subsequent years, it may receive refunds from Sumner County for taxes previously paid based upon the larger assessed valuations. If Sumner County is required to refund any previously collected property taxes to the Casino for 2014 through 2018, the City's share of said refunds will be deducted from its future property tax revenues. The City estimates that the City's portion of a potential refund for taxes paid based upon the 2013 valuation, and accompanying reduction in future tax revenue, could be approximately \$1.28 million. To the extent the Board of Tax Appeals and courts reduce the assessed valuations for 2014 and subsequent years, the County will further reduce future tax distributions in amounts necessary to recover the City's portion of such refunds. There can be no assurance that these valuations or future valuations will not be further reduced as a result of such proceedings now or in the future.

The City has budgeted a total of \$1,500,000 in anticipation of possible reductions in property tax revenues due to tax refunds to the Casino. There can be no assurance that such budgeted amount will be sufficient to compensate for all reductions in tax revenues attributable to refunds to the Casino.

At December 31, 2019 the City had outstanding commitments of \$1,495,508 including \$602,564 for capital improvements and \$798,948 for new equipment.

## **12. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through July 22, 2020, the date on which the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF MULVANE, KANSAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**KPERS PENSION PLAN**

**Schedule of City's Proportionate Share of the Net Pension Liability**  
**Last Six Years \***

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportionate percentage of the net pension liability	0.235144%	0.245637%	0.247112%	0.229256%	0.246065%	0.231939%
City's proportionate share of the net pension liability	\$ 3,285,837	\$ 3,423,664	\$ 3,579,380	\$ 3,546,658	\$ 3,230,942	\$ 2,854,735
City's covered payroll	\$ 4,225,141	\$ 4,414,815	\$ 4,568,936	\$ 3,994,760	\$ 3,969,325	\$ 3,612,771
City's proportionate share of the net pension liability as a percentage of its covered payroll	77.77%	77.55%	78.34%	88.78%	81.40%	79.02%
Plan fiduciary net position as a percentage of the total pension liability	75.02%	74.22%	72.16%	68.55%	71.98%	72.56%

**Schedule of City's Contributions**  
**Last Six Years \***

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 392,564	\$ 367,772	\$ 357,913	\$ 378,272	\$ 430,043	\$ 392,087
Contributions in relation to the contractually required contribution	<u>(392,564)</u>	<u>(367,772)</u>	<u>(357,913)</u>	<u>(378,272)</u>	<u>(430,043)</u>	<u>(392,087)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
City's covered payroll	4,415,789	4,383,459	4,230,650	4,120,610	4,536,319	4,435,373
Contributions as a percentage of covered payroll	8.89%	8.39%	8.46%	9.18%	9.48%	8.84%

\* – Data became available with the inception of GASB Statement No. 68 during fiscal year 2015, therefore 10 years of data is unavailable.

**CITY OF MULVANE, KANSAS**

**REQUIRED SUPPLEMENTARY INFORMATION**

**December 31, 2019**

**Schedule of Changes in the City's Disability  
Total OPEB Liability and Related Ratios  
Last Two Years \***

	<u>2019</u>	<u>2018</u>
Total OPEB Liability:		
Service cost	\$ 16,641	\$ 16,529
Interest	18,382	16,469
Effect of economic/demographic gains or losses	31,780	25,163
Effect of assumption changes or inputs	14,085	(10,789)
Benefit payments	<u>(32,982)</u>	<u>(32,065)</u>
Net change in total OPEB liability	47,906	15,307
Total OPEB liability – beginning of year	<u>474,680</u>	<u>459,373</u>
Total OPEB liability – end of year	<u><u>\$ 522,586</u></u>	<u><u>\$ 474,680</u></u>
Covered payroll	<u><u>\$ 4,209,668</u></u>	<u><u>\$ 4,188,681</u></u>
City's total OPEB liability as a percentage of covered payroll	<u><u>12.41%</u></u>	<u><u>11.33%</u></u>

\* – Governmental Accounting Standards Board Statement No. 75 requires presentation of ten years.  
Additional years will be reported as they become available.

**COMBINING FINANCIAL STATEMENTS  
AND  
INDIVIDUAL FUND SCHEDULES**

## **GOVERNMENTAL FUNDS**

### **NONMAJOR SPECIAL REVENUE FUNDS**

The primary purpose of the Special Revenue Funds is to account for the proceeds of designated revenue sources which are used to finance specified activities as required by law or administrative regulation. The following nonmajor Special Revenue Funds are reported:

**Employee Benefits** – to account for and report the City's portion of social security taxes, retirement plan contributions, workers compensation insurance premiums and unemployment insurance contributions applicable to the governmental funds' payroll (excluding public safety). Financing is principally provided by taxes.

**Library** – to account for the City's tax levy funding of the operation of the municipal library. Financing is provided by a specific tax levy.

**Industrial Development** – to account for the promotion of industrial development. Financing is provided through a specific tax levy.

**Senior Citizen** – to account for the operations of the Senior Center activities. Financing is provided from appropriations from the City's general fund.

**Special Highway** – to account for street maintenance operations. Financing is provided through motor fuel taxes distributed from the State of Kansas Special City and County Highway Fund.

**Special Park and Recreation** – to account for park and recreation services for City residents. Financing is provided through a statewide alcohol liquor tax.

**Transportation Impact Fee** – to account for the assessments on new home construction for use in construction or improvement of the City's streets.

**Storm Sewer Fee** – to account for the assessments on all sewer utility customers for use in construction or improvement of the City's storm sewer drainage system.

**Park Impact Fee** – to account for the assessments on new home construction for use in construction or improvement of the City's parks.

**Swimming Pool** – to account for the operations of the municipal swimming pool.

**Special Alcohol** – to account for alcohol abuse services for City residents. Financing is provided through a statewide alcoholic liquor tax.

**Transient Guest Tax** – to account for the administration of the Transient Guest Tax received by the City. All moneys are to be expended for convention and tourism promotion per applicable State statutes.

**Library Sales Tax** – to account for the resources provided by a City-wide 1% sales tax to be utilized for a special purpose of paying the cost of financing, site preparation, acquisition, construction, improvement, installation, furnishing and equipping a new public library within the City.

**Mulvane Public Building Commission** – the Mulvane Public Building Commission is a component unit of the City and is used to account for the acquisition and subsequent debt service of public buildings utilized by the City.

## **NONMAJOR CAPITAL PROJECT FUNDS**

The primary purpose of the capital projects fund is to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. Projects included within this fund are as follows:

**Capital Improvement Reserve** – to account for public facility improvements performed in conjunction with the City's multi-year capital improvement plan. Financing is provided from tax levy and other resources available to the City for such purposes.

**Municipal Equipment Reserve** – to accumulate resources to be used for new or replacement equipment. Financing is provided through annual transfers that must be budgeted and can be from any source which may be lawfully utilized for such purposes.

**Water Treatment Plant Improvements** – to account for and report the costs incurred related to construction of a new water treatment plant related to anticipated demands for additional water treatment capacity.

**Cedar Brook 5<sup>th</sup> Addition Water Improvements** – to account for the construction of water improvements to the Cedar Brook Addition Phase 5 residential housing addition. Financing is provided from long-term debt sources.

**Cedar Brook 5<sup>th</sup> Addition Sewer Improvements** – to account for the construction of sewer improvements to the Cedar Brook Addition Phase 5 residential housing addition. Financing is provided from long-term debt sources.

**Cedar Brook 5<sup>th</sup> Addition Street Improvements** – to account for the construction of street improvements to the Cedar Brook Addition Phase 5 residential housing addition. Financing is provided from long-term debt sources.

**Merlin's Glen Street Drainage Improvements** – to account for the construction of storm water drainage improvements to the Merlin's Glen residential housing addition. Financing is provided through property owner special assessments and other resources available to the City.

**Villa Maria Senior Housing Project** – to account for the construction of water and sanitary sewer improvements to the Villa Maria Adult Care Home facility. Financing is provided from long-term debt sources.

**Nottingham Estates Addition Water Improvements** – to account for the construction of water improvements to the Nottingham Estates residential housing addition. Financing is provided from long-term debt sources.

**Nottingham Estates Addition Sewer Improvements** – to account for the construction of sewer improvements to the Nottingham Estates residential housing addition. Financing is provided from long-term debt sources.

**Nottingham Estates Addition Street Improvements** – to account for the construction of street improvements to the Nottingham Estates residential housing addition. Financing is provided from long-term debt sources.

**Emerald Valley Phase 1 Addition Water Improvements** – to account for the construction of water improvements to the Emerald Valley Phase 1 residential housing addition. Financing is provided from long-term debt sources.

**Emerald Valley Phase 1 Addition Sewer Improvements** – to account for the construction of sewer improvements to the Emerald Valley Phase 1 residential housing addition. Financing is provided from long-term debt sources.

**Emerald Valley Phase 1 Addition Street Improvements** – to account for the construction of street improvements to the Emerald Valley Phase 1 residential housing addition. Financing is provided from long-term debt sources.

**Emerald Valley Phase 1 Addition Pond Improvements** – to account for the construction of retention pond improvements to the Emerald Valley Phase 1 residential housing addition. Financing is provided from long-term debt sources.

**Police Building** – to account for the construction of improvements to the Gilbert Addition residential housing addition. Financing is provided from long-term debt sources.

**Cedar Brook 4<sup>th</sup> and 5<sup>th</sup> Storm Sewer Improvements** – to account for the construction of storm sewer improvements to the Cedar Brook 4<sup>th</sup> and 5<sup>th</sup> residential housing addition. Financing is provided from long-term debt sources.

**Gilbert Addition Improvements** – to account for the construction of improvements to the Gilbert Addition residential housing addition. Financing is provided from long-term debt sources.

**CITY OF MULVANE, KANSAS**

**COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS**

**December 31, 2019**

	Special Revenue Funds	Capital Project Funds	Total
<b><u>ASSETS</u></b>			
Cash including short-term investments	\$ 1,490,244	\$ 584,600	\$ 2,074,844
Property tax receivable	1,036,359	216,138	1,252,497
Accounts receivable	98,108	–	98,108
Sales tax receivable	63,360	–	63,360
Due from other funds	–	–	–
	<hr/>	<hr/>	<hr/>
Total	<u>\$ 2,688,071</u>	<u>\$ 800,738</u>	<u>\$ 3,488,809</u>
<b><u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 8,925	\$ –	\$ 8,925
Accrued payroll and accrued liabilities	43,070	–	43,070
Due to other funds	–	–	–
Temporary notes payable	–	–	–
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>51,995</u>	<u>–</u>	<u>51,995</u>
Deferred inflows of resources:			
Property taxes receivable	<u>1,036,359</u>	<u>216,138</u>	<u>1,252,497</u>
Fund Balances:			
Restricted:			
General Government	122,858		122,858
Recreation	577,767	–	577,767
Health and welfare	58,421	–	58,421
Economic development	461,572	–	461,572
Street improvements	55,938	–	55,938
Capital improvements	–	395,939	395,939
Committed:			–
Street improvements	320,007	–	320,007
Parks and recreation	2,460	–	2,460
Assigned:			–
Culture and recreation	694	–	694
Capital outlay	–	188,661	188,661
Unassigned	–	–	–
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>1,599,717</u>	<u>584,600</u>	<u>2,184,317</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,688,071</u>	<u>\$ 800,738</u>	<u>\$ 3,488,809</u>

**CITY OF MULVANE, KANSAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

**Year ended December 31, 2019**

	Special Revenue Funds	Capital Projects Fund	Total
Revenues:			
Taxes	\$ 2,204,317	\$ 202,724	\$ 2,407,041
Special assessment taxes	—	—	—
Intergovernmental	263,128	—	263,128
Charges for services	106,886	—	106,886
Miscellaneous	34,425	3,229	37,654
Use of money and property	1,553,554	—	1,553,554
	<hr/>	<hr/>	<hr/>
Total revenues	4,162,310	205,953	4,368,263
Expenditures:			
Current:			
General government	284,688	—	284,688
Public Safety	61,703	—	61,703
Highways and streets	594,218	—	594,218
Culture and recreation	2,104,633	—	2,104,633
Health and welfare	29,556	—	29,556
Economic development	404,978	—	404,978
Capital improvements	—	469,774	469,774
Debt service:			
Principal	1,435,000	—	1,435,000
Interest and fiscal charges	114,505	—	114,505
	<hr/>	<hr/>	<hr/>
Total expenditures	5,029,281	469,774	5,499,055
	<hr/>	<hr/>	<hr/>
Revenues over expenditures	(866,971)	(263,821)	(1,130,792)
Other financing sources (uses):			
General obligation bonds issued	—	—	—
Premium on general obligation bonds issued	—	—	—
Transfers in	118,000	38,000	156,000
Transfers out	—	(6,238)	(6,238)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	118,000	31,762	149,762
Net change in fund balances	(748,971)	(232,059)	(981,030)
Fund balances, beginning of year	2,348,688	816,659	3,165,347
	<hr/>	<hr/>	<hr/>
Fund balances, end of year	\$ 1,599,717	\$ 584,600	\$ 2,184,317
	<hr/>	<hr/>	<hr/>



## CITY OF MULVANE, KANSAS

## COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2019

	Library	Employee Benefits	Industrial Development	Senior Citizens	Special Highway	Special Park and Recreation	Transportation Impact Fee	Storm Sewer	Park Impact Fee	Swimming Pool	Special Alcohol	Transient Guest Tax	Library Sales Tax	Mulvane Public Building Commission	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>															
Cash and short-term investments	\$ 6,100	\$ 164,247	\$ 175,922	\$ 1,676	\$ 55,938	\$ 123,186	\$ –	\$ 315,292	\$ –	\$ 2,460	\$ 58,421	\$ 195,781	\$ 391,221	\$ –	\$ 1,490,244
Accounts receivable	–	1,195	–	–	–	–	–	7,044	–	–	–	89,869	–	–	98,108
Property taxes receivable	443,304	588,112	4,943	–	–	–	–	–	–	–	–	–	–	–	1,036,359
Sales tax receivable	–	–	–	–	–	–	–	–	–	–	–	–	63,360	–	63,360
Total assets	<u>\$ 449,404</u>	<u>\$ 753,554</u>	<u>\$ 180,865</u>	<u>\$ 1,676</u>	<u>\$ 55,938</u>	<u>\$ 123,186</u>	<u>\$ –</u>	<u>\$ 322,336</u>	<u>\$ –</u>	<u>\$ 2,460</u>	<u>\$ 58,421</u>	<u>\$ 285,650</u>	<u>\$ 454,581</u>	<u>\$ –</u>	<u>\$ 2,688,071</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>															
Liabilities:															
Accounts Payable	\$ 6,100	\$ –	\$ –	\$ 496	\$ –	\$ –	\$ –	\$ 2,329	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 8,925
Accrued payroll and taxes	–	42,584	–	486	–	–	–	–	–	–	–	–	–	–	\$ 43,070
Deferred inflows of resources:															
Property taxes receivable	443,304	588,112	4,943	–	–	–	–	–	–	–	–	–	–	–	1,036,359
Fund balances:															
Restricted:															
General government	–	122,858	–	–	–	–	–	–	–	–	–	–	–	–	122,858
Recreation	–	–	–	–	–	123,186	–	–	–	–	–	–	454,581	–	577,767
Health and welfare	–	–	–	–	–	–	–	–	–	–	58,421	–	–	–	58,421
Economic development	–	–	175,922	–	–	–	–	–	–	–	–	285,650	–	–	461,572
Street improvements	–	–	–	–	55,938	–	–	–	–	–	–	–	–	–	55,938
Committed:															
Street improvements	–	–	–	–	–	–	–	320,007	–	–	–	–	–	–	320,007
Parks and recreation	–	–	–	–	–	–	–	–	–	2,460	–	–	–	–	2,460
Assigned:															
Culture and recreation	–	–	–	694	–	–	–	–	–	–	–	–	–	–	694
Total fund balances	–	122,858	175,922	694	55,938	123,186	–	320,007	–	2,460	58,421	285,650	454,581	–	1,599,717
Total liabilities, deferred inflows and fund balances	<u>\$ 443,304</u>	<u>\$ 753,554</u>	<u>\$ 180,865</u>	<u>\$ 1,676</u>	<u>\$ 55,938</u>	<u>\$ 123,186</u>	<u>\$ –</u>	<u>\$ 322,336</u>	<u>\$ –</u>	<u>\$ 2,460</u>	<u>\$ 58,421</u>	<u>\$ 285,650</u>	<u>\$ 454,581</u>	<u>\$ –</u>	<u>\$ 2,681,971</u>

CITY OF MULVANE, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS

Year ended December 31, 2019

	Library	Employee Benefits	Industrial Development	Senior Citizens	Special Highway	Special Park and Recreation	Transportation Impact Fee	Storm Sewer	Park Impact Fee	Swimming Pool	Special Alcohol	Transient Guest Tax	Library Sales Tax	Mulvane Public Building Commission	Total Nonmajor Special Revenue Funds
Revenues:															
Taxes	\$ 397,607	\$ 559,678	\$ 4,792	\$ –	\$ –	\$ 142,315	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 343,044	\$ 756,881	\$ –	\$ 2,204,317
Intergovernmental revenues	–	–	–	21,980	241,148	–	–	–	–	–	–	–	–	–	263,128
Charges for services	–	–	–	11,997	–	–	–	42,435	–	52,454	–	–	–	–	106,886
Miscellaneous	–	16,500	–	–	–	–	–	17,925	–	–	–	–	–	–	34,425
Use of money and property	–	2,532	–	–	312	–	–	1,205	–	–	–	–	–	1,549,505	1,553,554
Total revenues	397,607	578,710	4,792	33,977	241,460	142,315	–	61,565	–	52,454	–	343,044	756,881	1,549,505	4,162,310
Expenditures:															
Current:															
General Government	–	284,688	–	–	–	–	–	–	–	–	–	–	–	–	284,688
Public Safety	–	61,703	–	–	–	–	–	–	–	–	–	–	–	–	61,703
Highway and streets	–	303,524	–	–	237,815	–	6,490	46,389	–	–	–	–	–	–	594,218
Culture and recreation	397,607	–	–	59,967	–	126,621	–	–	–	146,183	–	–	1,374,255	–	2,104,633
Health and welfare	–	–	–	–	–	–	–	–	–	–	29,556	–	–	–	29,556
Economic development	–	–	1,980	–	–	–	–	–	–	–	–	402,998	–	–	404,978
Debt service:															
Principal	–	–	–	–	–	–	–	–	–	–	–	–	–	1,435,000	1,435,000
Interest and fiscal charges	–	–	–	–	–	–	–	–	–	–	–	–	–	114,505	114,505
Total expenditures	397,607	649,915	1,980	59,967	237,815	126,621	6,490	46,389	–	146,183	29,556	402,998	1,374,255	1,549,505	5,029,281
Revenues over (under) expenditures	–	(71,205)	2,812	(25,990)	3,645	15,694	(6,490)	15,176	–	(93,729)	(29,556)	(59,954)	(617,374)	–	(866,971)
Other financing sources:															
Transfers in	–	–	–	25,000	–	–	–	–	–	93,000	–	–	–	–	118,000
Net change in fund balance	–	(71,205)	2,812	(990)	3,645	15,694	(6,490)	15,176	–	(729)	(29,556)	(59,954)	(617,374)	–	(748,971)
Fund balances, beginning of year	–	194,063	173,110	1,684	52,293	107,492	6,490	304,831	–	3,189	87,977	345,604	1,071,955	–	2,348,688
Fund balances, end of year	\$ –	\$ 122,858	\$ 175,922	\$ 694	\$ 55,938	\$ 123,186	\$ –	\$ 320,007	\$ –	\$ 2,460	\$ 58,421	\$ 285,650	\$ 454,581	\$ –	\$ 1,599,717

**CITY OF MULVANE, KANSAS**

**EMPLOYEE BENEFITS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 559,124	\$ 559,124	\$ 559,678	\$ 554
Use of money and property	5,000	5,000	2,532	(2,468)
Miscellaneous	<u>–</u>	<u>–</u>	<u>16,500</u>	<u>16,500</u>
Total revenues	<u>564,124</u>	<u>564,124</u>	<u>578,710</u>	<u>14,586</u>
Expenditures:				
Administration department	399,001	399,001	243,978	155,023
Public works department	296,000	296,000	303,524	(7,524)
Municipal Court	–	–	32,480	(32,480)
Fire department	–	–	1,898	(1,898)
Police Department			14,182	(14,182)
Ambulance department			13,143	(13,143)
Inspection Department	<u>–</u>	<u>–</u>	<u>40,710</u>	<u>(40,710)</u>
Total expenditures	<u>695,001</u>	<u>695,001</u>	<u>649,915</u>	<u>45,086</u>
Revenues over (under) expenditures	(130,877)	(130,877)	(71,205)	59,672
Fund balance, beginning of year	<u>130,877</u>	<u>130,877</u>	<u>194,063</u>	<u>63,186</u>
Fund balance, end of year	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ 122,858</u></u>	<u><u>\$ 122,858</u></u>

**CITY OF MULVANE, KANSAS**

**LIBRARY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u></u>
Revenues:				
Taxes	\$ 459,538	\$ 459,538	\$ 397,607	\$ (61,931)
Expenditures:				
Appropriations to Library Board	<u>459,538</u>	<u>459,538</u>	<u>397,607</u>	<u>61,931</u>
Revenues over (under) expenditures	–	–	–	–
Fund balance, beginning of year	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Fund balance, end of year	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>

**CITY OF MULVANE, KANSAS**

**INDUSTRIAL DEVELOPMENT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 4,805	\$ 4,805	\$ 4,793	\$ (12)
Use of money and property	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total revenues	4,805	4,805	4,793	(12)
Expenditures:				
Industrial development	<u>5,200</u>	<u>5,200</u>	<u>1,980</u>	<u>3,220</u>
Revenues over (under)				
expenditures	(395)	(395)	2,813	3,208
Fund balance,				
beginning of year	<u>395</u>	<u>395</u>	<u>173,109</u>	<u>172,714</u>
Fund balance, end of year	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 175,922</u>	<u>\$ 175,922</u>

**CITY OF MULVANE, KANSAS**

**SENIOR CITIZENS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues and other sources:				
Intergovernmental	\$ 21,600	\$ 21,600	\$ 21,980	\$ 380
Charges for services	4,000	4,000	11,997	7,997
Miscellaneous	500	500	–	(500)
Transfers in	<u>35,000</u>	<u>35,000</u>	<u>25,000</u>	<u>(10,000)</u>
 Total revenues and other sources	 61,100	 61,100	 58,977	 (2,123)
Expenditures:				
Operating expenditures	<u>61,100</u>	<u>61,100</u>	<u>59,967</u>	<u>1,133</u>
Expenditures over revenues and other sources	–	–	(990)	(990)
Fund balance, beginning of year	<u>–</u>	<u>–</u>	<u>1,684</u>	<u>1,684</u>
Fund balance, end of year	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ 694</u></u>	<u><u>\$ 694</u></u>

**CITY OF MULVANE, KANSAS**

**SPECIAL HIGHWAY FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 234,890	\$ 234,890	\$ 241,147	\$ 6,257
Use of money and property	<u>–</u>	<u>–</u>	<u>312</u>	<u>312</u>
Total revenues	234,890	234,890	241,459	6,569
Expenditures:				
Street operations	<u>273,194</u>	<u>273,194</u>	<u>255,052</u>	<u>18,142</u>
Revenues over (under) expenditures	(38,304)	(38,304)	(13,593)	24,711
Fund balance, beginning of year	<u>38,304</u>	<u>38,304</u>	<u>52,294</u>	<u>13,990</u>
Fund balance, end of year	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 38,701</u>	<u>\$ 38,701</u>

**CITY OF MULVANE, KANSAS**

**SPECIAL PARK AND RECREATION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Liquor tax	\$ 109,436	\$ 109,436	\$ 142,315	\$ 32,879
Use of money and property	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total revenues	109,436	109,436	142,315	32,879
Expenditures:				
Capital outlay	<u>204,473</u>	<u>204,473</u>	<u>190,841</u>	<u>13,632</u>
Revenues over (under) expenditures	(95,037)	(95,037)	(48,526)	46,511
Fund balance, beginning of year	<u>95,037</u>	<u>95,037</u>	<u>107,492</u>	<u>12,455</u>
Fund balance, end of year	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ 58,966</u></u>	<u><u>\$ 58,966</u></u>



**CITY OF MULVANE, KANSAS**

**TRANSPORTATION IMPACT FEE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Impact fees	\$       –	\$       –	\$       –	\$       –
Expenditures:				
Capital outlay	<u>49,947</u>	<u>49,947</u>	<u>6,490</u>	<u>43,457</u>
Revenues over (under) expenditures	(49,947)	(49,947)	(6,490)	43,457
Fund balance, beginning of year	<u>49,947</u>	<u>49,947</u>	<u>6,490</u>	<u>(43,457)</u>
Fund balance, end of year	<u>\$       –</u>	<u>\$       –</u>	<u>\$       –</u>	<u>\$       –</u>

**CITY OF MULVANE, KANSAS**

**STORM SEWER FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u></u>
Revenues:				
Charges for services	\$ 35,000	\$ 35,000	\$ 42,476	\$ 7,476
Use of money and property	–	–	1,206	1,206
Miscellaneous	<u>–</u>	<u>–</u>	<u>17,925</u>	<u>17,925</u>
Total revenues	35,000	35,000	61,607	26,607
Expenditures:				
Capital Outlay	<u>236,340</u>	<u>236,340</u>	<u>46,389</u>	<u>(189,951)</u>
Revenues over (under) expenditures	(201,340)	(201,340)	15,218	216,558
Fund balance, beginning of year	<u>207,026</u>	<u>207,026</u>	<u>301,324</u>	<u>94,298</u>
Fund balance, end of year	<u><u>\$ 5,686</u></u>	<u><u>\$ 5,686</u></u>	<u><u>\$ 316,542</u></u>	<u><u>\$ 310,856</u></u>

**CITY OF MULVANE, KANSAS**

**PARK IMPACT FEE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Impact fees	\$       –	\$       –	\$       –	\$       –
Expenditures:				
Capital outlay	<u>65,724</u>	<u>65,724</u>	<u>–</u>	<u>65,724</u>
Revenues over (under) expenditures	(65,724)	(65,724)	–	65,724
Fund balance, beginning of year	<u>65,724</u>	<u>65,724</u>	<u>–</u>	<u>(65,724)</u>
Fund balance, end of year	<u>\$       –</u>	<u>\$       –</u>	<u>\$       –</u>	<u>\$       –</u>

**CITY OF MULVANE, KANSAS**

**SWIMMING POOL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues and other sources:				
Charges for services	\$ 65,700	\$ 65,700	\$ 52,454	\$ (13,246)
Transfers in	<u>122,900</u>	<u>122,900</u>	<u>93,000</u>	<u>(29,900)</u>
 Total revenues and other sources	 188,600	 188,600	 145,454	 (43,146)
Expenditures:				
Swimming pool operations	<u>190,000</u>	<u>190,000</u>	<u>146,183</u>	<u>43,817</u>
Expenditures over revenues and other sources	(1,400)	(1,400)	(729)	671
Fund balance, beginning of year	<u>1,400</u>	<u>1,400</u>	<u>3,189</u>	<u>1,789</u>
Fund balance, end of year	<u><u>\$ –</u></u>	<u><u>\$ –</u></u>	<u><u>\$ 2,460</u></u>	<u><u>\$ 2,460</u></u>

**CITY OF MULVANE, KANSAS**

**SPECIAL ALCOHOL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Liquor tax	\$ –	\$ –	\$ –	\$ –
Use of money and property	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total revenues	–	–	–	–
Expenditures:				
Awareness programs	<u>87,977</u>	<u>87,977</u>	<u>29,556</u>	<u>58,421</u>
Revenues over (under) expenditures	(87,977)	(87,977)	(29,556)	58,421
Fund balance, beginning of year	<u>87,977</u>	<u>87,977</u>	<u>87,977</u>	<u>–</u>
Fund balance, end of year	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 58,421</u>	<u>\$ 58,421</u>

**CITY OF MULVANE, KANSAS**

**TRANSIENT GUEST TAX FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Transient guest tax	\$ 250,000	\$ 250,000	\$ 337,464	\$ 87,464
Expenditures:				
Contractual services	<u>403,743</u>	<u>403,743</u>	<u>402,998</u>	<u>745</u>
Revenues over (under) expenditures	(153,743)	(153,743)	(65,534)	88,209
Fund balance, beginning of year	<u>153,743</u>	<u>153,743</u>	<u>261,315</u>	<u>107,572</u>
Fund balance, end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 195,781</u>	<u>\$ 195,781</u>

**CITY OF MULVANE, KANSAS**

**LIBRARY SALES TAX FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sales tax	<u>\$ 450,000</u>	<u>\$ 627,628</u>	<u>\$ 759,871</u>	<u>\$ 132,243</u>
Expenditures:				
Debt service –				
lease payment	868,996	1,375,000	1,373,505	1,495
Micellaneous	<u>–</u>	<u>–</u>	<u>750</u>	<u>(750)</u>
Total expenditure	<u>868,996</u>	<u>1,375,000</u>	<u>1,374,255</u>	<u>745</u>
Revenues over (under)				
expenditures	(418,996)	(747,372)	(614,384)	132,988
Fund balance,				
beginning of year	<u>418,996</u>	<u>1,005,605</u>	<u>1,005,605</u>	<u>–</u>
Fund balance, end of year	<u>\$ –</u>	<u>\$ 258,233</u>	<u>\$ 391,221</u>	<u>\$ 132,988</u>

**CITY OF MULVANE, KANSAS**

**DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 633,018	\$ 633,018	\$ 627,003	\$ (6,015)
Special assessments	1,900,000	1,900,000	1,951,808	51,808
Use of money and property	3,000	3,000	–	(3,000)
Bond Proceeds	9,500,000	9,500,000	8,335,545	(1,164,455)
Bond Premium	–	–	827,486	827,486
Transfers In	–	–	6,239	6,239
Miscellaneous	–	–	–	–
Total revenues	<u>12,036,018</u>	<u>12,036,018</u>	<u>11,748,081</u>	<u>(287,937)</u>
Expenditures and other uses:				
Bond Principal	11,519,277	11,519,277	11,066,430	452,847
Bond interest and commission	707,947	707,947	661,523	46,424
Cost of Issuance	–	–	114,427	(114,427)
Cash basis reserve	<u>33,845</u>	<u>33,845</u>	<u>–</u>	<u>33,845</u>
Total expenditure	<u>12,261,069</u>	<u>12,261,069</u>	<u>11,842,380</u>	<u>418,689</u>
Revenues over (under) expenditures and other uses	(225,051)	(225,051)	(94,299)	130,752
Fund balance, beginning of year	<u>315,412</u>	<u>315,412</u>	<u>315,414</u>	<u>2</u>
Fund balance, end of year	<u>\$ 90,361</u>	<u>\$ 90,361</u>	<u>\$ 221,115</u>	<u>\$ 130,754</u>



**CITY OF MULVANE, KANSAS**

**COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS**  
(continued on next page)

**December 31, 2019**

	Capital Improvement Reserve	Municipal Equipment Reserve	Water Treatment Plant Improvements	Cedar Brook 5 <sup>th</sup> Addition Water Improvements	Cedar Brook 5 <sup>th</sup> Addition Sewer Improvements	Cedar Brook 5 <sup>th</sup> Addition Street Improvements	Merlin's Glen Street Drainage Improvements	Villa Maria Senior Housing Project	Nottingham Estates Water Improvements
<b><u>ASSETS</u></b>									
Cash and short-term investments	\$ 395,939	\$ 188,642	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Taxes receivable	216,138	–	–	–	–	–	–	–	–
Due from other funds	–	–	–	–	–	–	–	–	–
Total assets	<u>\$ 612,077</u>	<u>\$ 188,642</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>
<b><u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</u></b>									
Liabilities:									
Accounts payable	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Due to other funds	–	–	–	–	–	–	–	–	–
Temporary notes payable	–	–	–	–	–	–	–	–	–
Total liabilities	–	–	–	–	–	–	–	–	–
Deferred inflows of resources:									
Property taxes receivable	216,138	–	–	–	–	–	–	–	–
Fund balances (deficit):									
Restricted:									
Capital improvements	395,939	–	–	–	–	–	–	–	–
Assigned:									
Capital outlay	–	188,642	–	–	–	–	–	–	–
Unassigned	–	–	–	–	–	–	–	–	–
Total fund balance	<u>395,939</u>	<u>188,642</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 612,077</u>	<u>\$ 188,642</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>

## CITY OF MULVANE, KANSAS

COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECT FUNDS  
(continued from previous page)

December 31, 2019

	Nottingham Estates Sewer Improvements	Nottingham Estates Street Improvements	Emerald Valley Phase 1 Water Improvements	Emerald Valley Phase 1 Sewer Improvements	Emerald Valley Phase 1 Street Improvements	Emerald Valley Phase 1 Pond Improvements	Police Building	Cedar Brook 4th & 5th Storm Sewer Improvements	Gilbert Addition Improvements	Totals
<b>ASSETS</b>										
Cash and short-term investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19	\$ -	\$ -	\$ 584,600
Taxes receivable	-	-	-	-	-	-	-	-	-	216,138
Due from other funds	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 800,738</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-	-
Temporary notes payable	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:										
Property taxes receivable	-	-	-	-	-	-	-	-	-	216,138
Fund balances (deficit):										
Restricted:										
Capital improvements	-	-	-	-	-	-	-	-	-	395,939
Assigned:										
Capital outlay	-	-	-	-	-	-	19	-	-	188,661
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19</u>	<u>-</u>	<u>-</u>	<u>584,600</u>
Total liabilities, deferred inflows and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 800,738</u>

CITY OF MULVANE, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES – NONMAJOR CAPITAL PROJECT FUNDS

(continued on next page)

Year ended December 31, 2019

	Capital Improvement Reserve	Municipal Equipment Reserve	Water Treatment Plant Improvements	Cedar Brook 5 <sup>th</sup> Addition Water Improvements	Cedar Brook 5 <sup>th</sup> Addition Sewer Improvements	Cedar Brook 5 <sup>th</sup> Addition Street Improvements	Merlin's Glen Street Drainage Improvements	Villa Maria Senior Housing Project	Nottingham Estates Water Improvements
Revenues:									
Taxes	\$ 202,724	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –
Special assessment taxes	–	–	–	–	–	–	–	–	–
Use of money and property	–	–	–	–	–	–	–	–	–
Miscellaneous	–	–	–	–	1,801	–	–	–	–
Total revenues	202,724	–	–	–	1,801	–	–	–	–
Expenditures:									
Capital outlay	–	231,226	–	218	–	6,516	–	592	338
Debt service	–	–	–	–	–	–	–	–	–
Total expenditures	–	231,226	–	218	–	6,516	–	592	338
Expenditures over (under) revenues	202,724	(231,226)	–	(218)	1,801	(6,516)	–	(592)	(338)
Other financing sources (uses):									
General obligation bonds issued	–	–	–	–	–	–	–	–	–
Premium on general obligation bonds issued	–	–	–	–	–	–	–	–	–
Transfers in	–	38,000	–	–	–	–	–	–	–
Transfers out	–	–	(163)	–	–	(1,531)	–	(2,667)	(663)
Total other financing sources (uses)	–	38,000	(163)	–	–	(1,531)	–	(2,667)	(663)
Net change in fund balance	202,724	(193,226)	(163)	(218)	1,801	(8,047)	–	(3,259)	(1,001)
Fund balances (deficit), beginning of year	193,215	381,868	163	218	(1,801)	8,047	–	3,259	1,001
Fund balances (deficit), end of year	\$ 395,939	\$ 188,642	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –

**CITY OF MULVANE, KANSAS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES – NONMAJOR CAPITAL PROJECT FUNDS  
(continued from previous page)**

**Year ended December 31, 2019**

	Nottingham Estates Sewer Improvements	Nottingham Estates Street Improvements	Emerald Valley Phase 1 Water Improvements	Emerald Valley Phase 1 Sewer Improvements	Emerald Valley Phase 1 Street Improvements	Emerald Valley Phase 1 Pond Improvements	Police Building	Cedar Brook 4th & 5th Storm Sewer Improvements	Gilbert Addition Improvements	Totals
Revenues:										
Taxes	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 202,724
Special assessment taxes	–	–	–	–	–	–	–	–	–	–
Use of money and property	–	–	–	–	–	–	–	–	–	–
Miscellaneous	815	–	–	–	–	–	–	–	613	3,229
Total revenues	815	–	–	–	–	–	–	–	613	205,953
Expenditures:										
Capital outlay	–	256	36	579	782	279	228,952	–	–	469,774
Debt service	–	–	–	–	–	–	–	–	–	–
Total expenditures	–	256	36	579	782	279	228,952	–	–	469,774
Expenditures over (under) revenues	815	(256)	(36)	(579)	(782)	(279)	(228,952)	–	613	(263,821)
Other financing sources (uses):										
General obligation bonds issued	–	–	–	–	–	–	–	–	–	–
Premium on general obligation bonds issued	–	–	–	–	–	–	–	–	–	–
Transfers in	–	–	–	–	–	–	–	–	–	38,000
Transfers out	–	–	–	(1,178)	–	–	–	(36)	–	(6,238)
Total other financing sources (uses)	–	–	–	(1,178)	–	–	–	(36)	–	31,762
Net change in fund balance	815	(256)	(36)	(1,757)	(782)	(279)	(228,952)	(36)	613	(232,059)
Fund balances (deficit), beginning of year	(815)	256	36	1,757	782	279	228,971	36	(613)	816,659
Fund balances (deficit), end of year	\$ –	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 19	\$ –	\$ –	\$ 584,600

### **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The fund measure focus is upon determination of net income, financial position and change in financial position. The following major Enterprise Funds are reported:

**Electric System** - to account for the maintenance of the electric distribution system. Financing is provided by user charges.

**Water System** - to account for the maintenance of the water distribution system. Financing is provided by user charges.

**Sewer System** - to account for the operation and maintenance of the sewer system and sewage treatment plant. Financing is provided by user charges.

**CITY OF MULVANE, KANSAS**

**ELECTRIC SYSTEM FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 4,901,100	\$ 4,901,100	\$ 5,041,214	\$ 140,114
Use of money and property	10,000	10,000	73,426	63,426
Bond Proceeds	–	–	34,040	34,040
Miscellaneous	<u>25,000</u>	<u>25,000</u>	<u>49,601</u>	<u>24,601</u>
Total revenues	<u>4,936,100</u>	<u>4,936,100</u>	<u>5,198,281</u>	<u>262,181</u>
Expenditures, encumbrances and other uses:				
Operations	5,081,132	5,081,132	4,073,525	1,007,607
Nonoperating	697,000	697,000	625,853	71,147
Debt service	<u>374,252</u>	<u>374,252</u>	<u>412,395</u>	<u>(38,143)</u>
Total expenditures, encumbrances and other uses	<u>6,152,384</u>	<u>6,152,384</u>	<u>5,111,773</u>	<u>1,040,611</u>
Revenues over (under) expenditures, encumbrances and other uses	(1,216,284)	(1,216,284)	86,508	1,302,792
Fund balance, beginning of year	<u>2,493,652</u>	<u>2,493,652</u>	<u>3,421,110</u>	<u>927,458</u>
Fund balance, end of year	<u>\$ 1,277,368</u>	<u>\$ 1,277,368</u>	<u>\$ 3,507,618</u>	<u>\$ 2,230,250</u>

**CITY OF MULVANE, KANSAS**

**WATER SYSTEM FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,086,500	\$ 1,086,500	\$ 1,041,212	\$ (45,288)
Use of money and property	4,000	4,000	25,775	21,775
Miscellaneous	18,784	18,784	34,052	15,268
Bond proceeds	2,500,000	2,500,000	59,570	(2,440,430)
Total revenues	3,609,284	3,609,284	1,160,609	(2,448,675)
Expenditures, encumbrances and other uses:				
Operations	1,166,241	1,166,241	804,227	362,014
Nonoperating	2,635,000	2,635,000	126,076	2,508,924
Debt service	36,940	36,940	103,752	(66,812)
Total expenditures, encumbrances and other uses	3,838,181	3,838,181	1,034,055	2,804,126
Revenues over expenditures, encumbrances and other uses	(228,897)	(228,897)	126,554	355,451
Fund balance, beginning of year	631,945	631,945	999,375	367,430
Fund balance, end of year	\$ 403,048	\$ 403,048	\$ 1,125,929	\$ 722,881

**CITY OF MULVANE, KANSAS**

**SEWER SYSTEM FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,835,000	\$ 1,835,000	\$ 1,742,864	\$ (92,136)
Use of money and property	6,000	6,000	25,762	19,762
Miscellaneous	2,000	2,000	32,717	30,717
Bond proceeds	—	—	80,845	80,845
Total revenues	<u>1,843,000</u>	<u>1,843,000</u>	<u>1,882,188</u>	<u>39,188</u>
Expenditures, encumbrances and other uses:				
Operations	1,156,840	1,156,840	768,052	388,788
Nonoperating	820,000	820,000	829,369	(9,369)
Debt service	<u>608,949</u>	<u>608,949</u>	<u>684,606</u>	<u>(75,657)</u>
Total expenditures, encumbrances and other uses	<u>2,585,789</u>	<u>2,585,789</u>	<u>2,282,027</u>	<u>303,762</u>
Revenues over (under) expenditures, encumbrances and other uses	(742,789)	(742,789)	(399,839)	342,950
Fund balance, beginning of year	<u>1,790,994</u>	<u>1,790,994</u>	<u>2,140,650</u>	<u>349,656</u>
Fund balance, end of year	<u>\$ 1,048,205</u>	<u>\$ 1,048,205</u>	<u>\$ 1,740,811</u>	<u>\$ 692,606</u>



## **FIDUCIARY FUNDS**

Fiduciary Funds are used to report assets held in a trustee or agent capacity for others and, therefore, are not used to support the government's own programs. The following Fiduciary Fund is reported:

### **AGENCY FUNDS:**

**Payroll Clearing** - to account for moneys held on behalf of City employees' payroll for related payroll taxes, retirement contributions, insurance and other authorized withholdings by City employees.

**Flexible Spending** - to account for moneys held on behalf of City employees' payroll for reimbursement of qualifying medical expenses by City employees.

**CITY OF MULVANE, KANSAS**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES –  
ALL AGENCY FUNDS**

**Year ended December 31, 2019**

	Balance January 1, 2019	Additions	Deductions	Balance December 31, 2019
<b><u>PAYROLL CLEARING FUND</u></b>				

**ASSETS**

Cash and short-term investments	\$ 103,230	\$ 6,717,452	\$ 6,819,094	\$ 1,588
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**LIABILITIES**

Accrued liabilities payable	\$ 103,230	\$ 6,717,452	\$ 6,819,094	\$ 1,588
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**EMPLOYEE FLEXIBLE  
SPENDING FUND**

**ASSETS**

Cash and short-term investments	\$ 61,510	\$ 77,809	\$ 122,009	\$ 17,310
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**LIABILITIES**

Accrued liabilities payable	\$ 61,510	\$ 77,809	\$ 122,009	\$ 17,310
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**TOTALS**

**ASSETS**

Cash and short-term investments	\$ 164,740	\$ 6,795,261	\$ 6,941,103	\$ 18,898
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**LIABILITIES**

Accrued liabilities payable	\$ 164,740	\$ 6,795,261	\$ 6,941,103	\$ 18,898
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## **COMPONENT UNITS**

### **Mulvane Public Library**

The Mulvane Public Library is reported as a discretely presented component unit within the financial statements of the City of Mulvane (the reporting entity) to emphasize its separate legal status. The Mulvane Public Library Board is appointed by the City Council and operates the public library of the City. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special revenue fund of the City. The Library Board also receives funding through state assistance programs, fines and donations from the public. The following funds are used to account for the operations of the Mulvane Public Library:

**General Fund** – to account for all operating activities of the public library that are not required to be accounted for in another fund.

**Special Grants** – to account for grant proceeds received from the State of Kansas and other governmental units.

**Capital Development Reserve Fund** – to account for capital equipment and improvement expenditures. Financing is provided through transfers from the General Fund.

### **Mulvane Housing Authority**

The Mulvane Housing Authority manages Quad County Manor, a 23 unit housing facility that was financed by a forty-year United States Department of Agriculture, Rural Development loan. Occupants of the facility pay rent as a percentage of their annual income. The Mulvane Housing Authority hires a management agent to perform administrative functions including the selection of tenants, collection of rents, payment of expenses and performs or contracts for maintenance of the property. The City provides financial assistance to the Mulvane Housing Authority through the uncharged utility services for common areas of the facility and the City serves as a guarantor for the Rural Development loan on the facility.

### **Mulvane Land Bank**

The Mulvane Land Bank was established during 2017 and is a quasi-governmental entity with all statutory authority, but with the primary responsibility and authority for maintaining and selling real property located within the City to help achieve the City's goal of returning municipally-owned property to private ownership, cost effectively maintaining said property, ensuring conformance with the goals of the City's Comprehensive Plan, and the encouragement of economic development. The Mulvane Land Bank is governed by a Board of Trustees, which is comprised of the entire membership of the governing body of the City of Mulvane, who shall be voting members, and one additional member appointed by the Mayor who is a non-voting member and who shall be a City staff member. The Mulvane Land Bank is subject to the cash basis and budget laws of the State of Kansas.

**CITY OF MULVANE, KANSAS**

**COMBINING BALANCE SHEET – MULVANE PUBLIC LIBRARY**

**December 31, 2019**

	<u>General</u>	<u>Special Grants</u>	<u>Capital Development Reserve</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 62,722	\$ 58,943	\$ 41,262	\$ 162,927
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$ —	\$ —	\$ —	\$ —
Fund balances:				
Committed	—	58,943	41,262	100,205
Unassigned	62,722	—	—	62,722
Total fund balances	62,722	58,943	41,262	162,927
Total liabilities and fund balances	\$ 62,722	\$ 58,943	\$ 41,262	\$ 162,927
Reconciliation to total net position:				
Fund balance per above				\$ 162,927
Add long-term capital assets				143,696
Add deferred outflows of resources related to pensions				62,532
Less accumulated depreciation on long-term capital assets				(102,786)
Less deferred inflows of resources related to pensions				(4,030)
Net pension liability				(140,506)
Total net position				\$ 121,833

CITY OF MULVANE, KANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES – MULVANE PUBLIC LIBRARY

Year ended December 31, 2019

	General	Special Grants	Capital Development Reserve	Total
Revenues:				
Appropriations from City of Mulvane	\$ 397,653	\$ –	\$ –	\$ 397,653
Intergovernmental	24,063	–	–	24,063
Fines and fees	–	8,898	–	8,898
Use of money and property	37	18	144	199
Miscellaneous	10,669	11,434	–	22,103
Total revenues	432,422	20,350	144	452,916
Expenditures:				
Personal services	290,185	–	–	290,185
Contractual services	118,574	9,978	–	128,552
Commodities	80,524	19,186	–	99,710
Capital outlay	6,345	–	–	6,345
Total expenditures	495,628	29,164	–	524,792
Revenues over (under) expenditures	(63,206)	(8,814)	144	(71,876)
Other financing sources (uses):				
Transfers in	61,590	–	–	61,590
Transfers out	–	–	(61,590)	(61,590)
Total other financing sources (uses)	61,590	–	(61,590)	–
Net change in fund balance	(1,616)	(8,814)	(61,446)	(71,876)
Fund balances, beginning of year	64,337	67,757	102,709	234,803
Fund balances, end of year	<u>\$ 62,721</u>	<u>\$ 58,943</u>	<u>\$ 41,263</u>	<u>\$ 162,927</u>

Reconciliation of change in net position:	
Net change in fund balance per above	(71,876)
Add current year capitalized assets	1,845
Less current year depreciation on capital assets	(10,618)
Less change in net pension liability including deferred inflows and deferred outflows of resources	<u>(18,600)</u>
Change in net position	<u>(99,249)</u>

**CITY OF MULVANE, KANSAS**

**MULVANE PUBLIC HOUSING AUTHORITY – QUAD COUNTY MANOR**

**BALANCE SHEET**

**December 31, 2019**

**ASSETS**

Cash and investments	\$ 3,062
Cash restricted for security deposits and required reserves	40,692
Accounts receivable	40
Prepaid expenses	517
Land	16,000
Buildings	597,492
Machinery and equipment	149,566
Accumulated depreciation	<u>(611,671)</u>
	<u><u>\$ 195,698</u></u>

**LIABILITIES AND NET POSITION**

Current liabilities:	
Accounts payable	\$ 2,100
Current portion of note payable to Rural Housing Development	<u>9,516</u>
	11,616
Long-term liabilities:	
Long-term portion of note payable to Rural Housing Development	<u>127,312</u>
Total liabilities	<u>138,928</u>
Net position:	
Net investment in capital assets	14,559
Unassigned	<u>42,211</u>
Total net position	<u>56,770</u>
Total liabilities and net position	<u><u>\$ 195,698</u></u>

**CITY OF MULVANE, KANSAS**

**MULVANE PUBLIC HOUSING AUTHORITY – QUAD COUNTY MANOR**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION**

**Year ended December 31, 2019**

Revenues:	
Rents	\$ 72,797
Rental Assistance	14,703
Interest	40
Miscellaneous	<u>–</u>
Total revenues	<u>87,540</u>
Expenses:	
Professional management fees	14,672
Building maintenance and supplies	11,834
Insurance	10,534
Utilities	16,559
Rural development overages	5,756
Debt Payment	4,804
Depreciation Expense	29,901
Other	1,660
Office and other expenses	<u>1,902</u>
Total expenses	<u>97,622</u>
Change in net position	(10,082)
Net position, beginning of year	<u>66,852</u>
Net position, end of year	<u><u>\$ 56,770</u></u>

**CITY OF MULVANE, KANSAS**

**MULVANE LAND BANK**

**BALANCE SHEET**

**December 31, 2019**

**ASSETS**

Cash and investments	<u>\$ 59,329</u>
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**LIABILITIES AND FUND BALANCE**

Liabilities:

Accounts payable	\$ —
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Fund balance::

Unassigned	<u>59,329</u>
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Total liabilities and fund balance	<u>\$ 59,329</u>
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Reconciliation to net position:

Fund balance per above	\$ 59,329
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Add buildings held for resale	<u>262,571</u>
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Total net position	<u>\$ 321,900</u>
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**CITY OF MULVANE, KANSAS**

**MULVANE LAND BANK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE**

**Year ended December 31, 2019**

Revenues:	
Sale of property	\$       —
Rentals	<u>9,600</u>
Total revenues	<u>9,600</u>
Expenditures:	
Insurance	1,050
Legal fees	1,648
Utilities	182
Miscellaneous	6,903
Repairs and maintenance	<u>80,000</u>
Total expenditures	<u>89,783</u>
Revenues over expenditures	(80,183)
Fund balance, beginning of year	<u>139,512</u>
Fund Balance, end of year	<u>\$ 59,329</u>

Reconciliation of change in net position:	
Net change in fund balance per above	\$ 59,329
Add current year capital outlay	—
Less proceeds from sale of buildings	<u>—</u>
Change in net position	<u>\$ 59,329</u>

**CITY OF MULVANE, KANSAS**

**MULVANE LAND BANK**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL –  
BUDGETARY BASIS**

**Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Appropriation from City of Mulvane	\$ –	\$ –	\$ –	\$ –
Rentals	1,000	1,000	9,600	8,600
Sale of property	–	–	–	–
Total revenues	1,000	1,000	9,600	8,600
Expenditures and other uses:				
Insurance	1,500	1,500	1,050	450
Legal services	10,000	10,000	1,648	8,352
Utilities	100	100	182	(82)
Repairs to buildings	86,080	86,080	–	86,080
Proceeds to City of Mulvane	–	–	–	–
Property purchases	–	–	–	–
Miscellaneous	–	–	86,904	(86,904)
Total expenditure	97,680	97,680	89,784	7,896
Revenues over expenditures and other uses	(96,680)	(96,680)	(80,184)	16,496
Fund balance, beginning of year	96,680	96,680	139,513	42,833
Fund balance, end of year	\$ –	\$ –	\$ 59,329	\$ 59,329

## **STATISTICAL SECTION**

City of Mulvane, Kansas  
Net Position by Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

Governmental Activities	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net Investment in Capital Assets	\$ 18,060,089	\$18,417,687	\$ 3,807,377	\$ 1,923,151	\$ 3,659,539	\$ (3,125,468)	\$ (1,597,973)	\$ 1,034,051	\$ 325,720	\$ 2,841,055
Restricted for:	3,145,384	-	-	-	-	-	-	-	-	-
Debt Service	-	2,762,968	21,080,642	20,186,897	19,004,749	17,035,947	15,513,868	14,556,981	12,864,822	14,101,663
Capital Improvements	-	1,801,919	1,525,762	120,116	245,467	280,568	799,708	95,323	193,378	395,939
General Government	-	-	-	470,251	205,676	138,559	40,196	156,235	275,702	275,542
Employee Benefits	-	306,581	285,909	117,642	903,319	1,308,689	821,572	306,691	194,063	122,858
Parks and Recreation	-	60,261	139,632	394,800	287,970	528,310	832,185	945,165	1,179,447	577,767
Economic Development	-	153,253	85,430	125,077	437,536	488,678	499,479	475,272	518,714	461,572
Street Maintenance	-	31,173	159,646	373,437	15,414	37,791	82,963	92,191	52,293	55,938
Public Safety	-	1,873	27,925	30,732	-	-	-	-	-	-
Health and Welfare	-	6,830	39,636	44,587	59,373	81,665	106,878	70,969	87,977	58,421
Unrestricted	3,279,893	(11,277,773)	3,394,081	3,350,087	3,283,535	1,872,601	2,245,722	598,792	1,579,488	850,605
Total Governmental Activities Net Position	<u>\$ 24,485,366</u>	<u>\$12,264,772</u>	<u>\$ 30,546,040</u>	<u>\$ 27,136,777</u>	<u>\$28,102,578</u>	<u>\$ 18,647,340</u>	<u>\$ 19,344,598</u>	<u>\$ 18,331,670</u>	<u>\$17,271,604</u>	<u>\$19,741,360</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 4,974,701	\$18,749,118	\$ 18,669,822	\$ 22,516,919	\$22,521,469	\$ 30,478,002	\$ 30,038,002	\$30,795,123	\$31,574,138	\$31,325,225
Restricted for Debt Service	2,305,666	2,237,436	2,661,129	3,009,366	2,956,153	133,838	-	-	-	-
Unrestricted	2,769,107	2,524,714	2,510,461	2,600,777	2,777,796	4,778,601	5,671,807	5,769,899	6,226,438	6,919,091
Total Business-type Activities Net Position	<u>\$ 10,049,474</u>	<u>\$23,511,268</u>	<u>\$ 23,841,412</u>	<u>\$ 28,127,062</u>	<u>\$28,255,418</u>	<u>\$ 35,390,441</u>	<u>\$ 35,709,809</u>	<u>\$ 36,565,022</u>	<u>\$37,800,576</u>	<u>\$38,244,316</u>
Primary Government										
Net Investment in Capital Assets	\$ 23,034,790	\$ 37,166,805	\$ 22,477,199	\$ 24,440,070	\$ 26,181,008	\$ 27,352,534	\$ 28,440,029	\$ 31,829,174	\$ 31,899,858	\$ 34,166,280
Restricted	5,451,050	2,237,436	26,005,711	24,402,654	24,115,657	20,034,045	18,696,849	16,698,827	15,366,396	16,049,700
Unrestricted	6,049,000	(8,753,059)	5,904,542	5,950,864	6,061,331	6,651,202	7,917,529	6,368,691	7,805,926	7,769,696
Total Primary Government Net Position	<u>\$ 34,534,840</u>	<u>\$ 30,651,182</u>	<u>\$ 54,387,452</u>	<u>\$ 54,793,588</u>	<u>\$56,357,996</u>	<u>\$ 54,037,781</u>	<u>\$ 55,054,407</u>	<u>\$ 54,896,692</u>	<u>\$ 55,072,180</u>	<u>\$ 57,985,676</u>

**City of Mulvane, Kansas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(Accrual Basis of Accounting)*

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 388,764	\$ 367,607	\$ 898,033	\$ 1,120,120	\$ 1,297,410	\$ 1,515,897	\$ 1,782,329	\$ 2,151,881	\$ 1,179,135	\$ 1,177,761
Public Safety	1,967,491	2,214,923	2,465,933	2,846,130	2,880,502	3,138,385	3,584,483	3,733,737	4,316,866	4,572,523
Highways and Streets	1,402,712	1,620,242	1,436,490	1,538,787	2,392,668	1,527,136	1,665,590	2,320,717	2,361,133	2,366,506
Health and Sanitation	-	-	-	45,963	52,180	39,130	39,130	106,129	600	29,556
Culture and Recreation	818,353	732,029	924,244	962,253	881,440	1,560,950	1,622,079	1,432,675	1,454,413	2,298,566
Economic Development	11,358	91,345	26,008	49,927	219,093	291,281	340,265	343,545	256,058	404,942
Environmental Protection	1,600	414	829	739	1,099	233	120	308	615	478
Interest on Long Term Debt	372,438	343,708	547,071	875,012	814,828	1,072,292	710,073	734,791	746,287	769,278
Total Governmental Activities Expenses	<u>\$ 4,962,716</u>	<u>\$ 5,370,268</u>	<u>\$ 6,298,608</u>	<u>\$ 7,438,931</u>	<u>\$ 8,539,220</u>	<u>\$ 9,145,304</u>	<u>\$ 9,744,069</u>	<u>\$ 10,823,783</u>	<u>\$ 10,315,107</u>	<u>\$ 11,619,610</u>
Business-type Activities										
Electric Utility	\$ 4,264,535	\$ 4,561,418	\$ 4,258,246	\$ 4,268,774	\$ 4,995,057	\$ 4,738,239	\$ 4,742,936	\$ 4,768,801	\$ 5,013,606	\$ 4,648,838
Water Utility	798,895	954,799	982,341	914,372	1,018,362	1,291,157	1,214,150	1,251,030	1,299,081	1,238,769
Wastewater Utility	1,195,183	1,431,809	1,483,160	1,698,378	1,670,390	1,593,965	1,687,656	1,556,034	1,633,447	1,672,720
Total Business-type Activities	<u>\$ 6,258,613</u>	<u>\$ 6,948,026</u>	<u>\$ 6,723,747</u>	<u>\$ 6,881,524</u>	<u>\$ 7,683,809</u>	<u>\$ 7,623,361</u>	<u>\$ 7,644,742</u>	<u>\$ 7,575,865</u>	<u>\$ 7,946,134</u>	<u>\$ 7,560,327</u>
 Total Primary Government Expenses	<u>\$ 11,221,329</u>	<u>\$ 12,318,294</u>	<u>\$ 13,022,355</u>	<u>\$ 14,320,455</u>	<u>\$ 16,223,029</u>	<u>\$ 16,768,665</u>	<u>\$ 17,388,811</u>	<u>\$ 18,399,648</u>	<u>\$ 18,261,241</u>	<u>\$ 19,179,937</u>
 <b>Program Revenues</b>										
Governmental Activities										
Charges for Services										
General Government	\$ 104,906	\$ 215,240	\$ 293,070	\$ 133,536	\$ 129,915	\$ 126,761	\$ 343,275	\$ 128,893	\$ 158,357	\$ 119,790
Public Safety	283,306	384,999	425,312	483,626	535,702	1,071,489	1,094,153	1,143,085	1,123,961	2,033,870
Highway & Streets	32,053	39,840	33,448	33,840	38,053	31,841	39,126	41,631	42,188	42,435
Culture and Recreation	71,648	78,722	75,617	65,372	61,770	63,402	66,051	64,186	72,271	75,301
Economic Development	-	-	-	203,839	-	-	-	-	-	-
Operating Grants and Contributions	769,505	686,986	19,532,368	1,749,079	1,298,001	1,889,916	1,733,706	1,378,067	1,724,379	4,538,085
Capital Grants and Contributions	175,986	2,312,499	58,364	204	716,331	723,512	700,756	677,275	673,750	774,806
Total Governmental Activities Program Revenues	<u>\$ 1,437,404</u>	<u>\$ 3,718,286</u>	<u>\$ 20,418,179</u>	<u>\$ 2,669,496</u>	<u>\$ 2,779,772</u>	<u>\$ 3,906,921</u>	<u>\$ 3,977,067</u>	<u>\$ 3,433,137</u>	<u>\$ 3,794,906</u>	<u>\$ 7,584,287</u>
Business-type Activities										
Charges for Services										
Electric Utility	\$ 4,072,152	\$ 4,325,273	\$ 4,053,466	\$ 4,358,191	\$ 4,859,153	\$ 4,441,803	\$ 4,855,854	\$ 4,812,129	\$ 5,296,701	\$ 5,038,007
Water Utility	953,201	1,013,865	1,138,454	1,092,281	1,098,460	1,096,022	1,105,822	1,082,368	1,113,993	1,091,439
Wastewater Utility	1,320,646	1,373,352	1,557,136	1,639,641	1,623,215	1,738,424	1,956,166	1,857,701	1,787,322	1,763,654
Capital Grants and Contributions	-	-	-	1,651	-	-	-	59,538	-	-
Total Business-type Activities Program Revenues	<u>\$ 6,345,999</u>	<u>\$ 6,712,490</u>	<u>\$ 6,749,056</u>	<u>\$ 7,091,764</u>	<u>\$ 7,580,828</u>	<u>\$ 7,276,249</u>	<u>\$ 7,917,842</u>	<u>\$ 7,811,736</u>	<u>\$ 8,198,016</u>	<u>\$ 7,893,100</u>
 Total Primary Government Program Revenues	<u>\$ 7,783,403</u>	<u>\$ 10,430,776</u>	<u>\$ 27,167,235</u>	<u>\$ 9,761,260</u>	<u>\$ 10,360,600</u>	<u>\$ 11,183,170</u>	<u>\$ 11,894,909</u>	<u>\$ 11,244,873</u>	<u>\$ 11,992,922</u>	<u>\$ 15,477,387</u>

Continued on the next page

City of Mulvane, Kansas  
Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

Continued from the previous page

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (3,525,312)	\$ (1,651,982)	\$ 14,119,571	\$ (4,769,435)	\$ (5,759,448)	\$ (5,238,383)	\$ (5,767,002)	\$ (7,390,646)	\$ (6,520,201)	\$ (4,035,323)
Business-type Activities	87,386	(235,536)	25,309	210,240	(102,981)	(347,112)	273,100	235,871	251,882	332,773
Total Primary Government Net Expenses	<u>\$ (3,437,926)</u>	<u>\$ (1,887,518)</u>	<u>\$ 14,144,880</u>	<u>\$ (4,559,195)</u>	<u>\$ (5,862,429)</u>	<u>\$ (5,585,495)</u>	<u>\$ (5,493,902)</u>	<u>\$ (7,154,775)</u>	<u>\$ (6,268,319)</u>	<u>\$ (3,702,550)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities										
Taxes										
Property Taxes										
General Purposes	\$ 1,519,683	\$ 1,519,802	\$ 1,637,634	\$ 2,217,654	\$ 3,751,657	\$ 2,851,045	\$ 2,919,006	\$ 2,346,878	\$ 3,543,583	\$ 2,828,655
Debt Service	455,327	455,327	371,681	371,681	431,877	431,877	818,784	1,606,932	367,703	627,003
Gaming Facility Revenue Sharing	-	-	1,892,058	1,926,430	1,784,165	1,832,260	1,806,329	1,798,789	1,819,997	1,864,339
Sales Taxes	661,759	691,642	725,464	661,288	718,740	741,498	690,564	911,338	790,162	837,322
Franchise Taxes	388,190	425,525	193,496	244,783	252,328	223,642	201,404	234,263	250,630	254,163
Investment Earnings	16,795	21,932	12,171	10,573	11,660	29,556	38,520	54,518	76,599	93,597
Transfers	(18,745)	(13,682,840)	(670,807)	(4,072,237)	(225,178)	(8,318,410)	(10,347)	(575,000)	(1,034,154)	-
Total Governmental Activities	<u>\$ 3,023,009</u>	<u>\$ (10,568,612)</u>	<u>\$ 4,161,697</u>	<u>\$ 1,360,172</u>	<u>\$ 6,725,249</u>	<u>\$ (2,208,532)</u>	<u>\$ 6,464,260</u>	<u>\$ 6,377,718</u>	<u>\$ 5,814,520</u>	<u>\$ 6,505,079</u>
Business Type Activities										
Investment Earnings	\$ 17,548	\$ 14,490	\$ 7,303	\$ 3,173	\$ 6,159	\$ 13,152	\$ 35,921	\$ 44,342	\$ 67,645	\$ 110,967
Transfers	18,745	13,682,840	670,807	4,072,237	225,178	8,318,410	10,347	575,000	1,034,154	-
Total Business-type Activities	<u>\$ 36,293</u>	<u>\$ 13,697,330</u>	<u>\$ 678,110</u>	<u>\$ 4,075,410</u>	<u>\$ 231,337</u>	<u>\$ 8,331,562</u>	<u>\$ 46,268</u>	<u>\$ 619,342</u>	<u>\$ 1,101,799</u>	<u>\$ 110,967</u>
Total Primary Government	<u>\$ 3,059,302</u>	<u>\$ 3,128,718</u>	<u>\$ 4,839,807</u>	<u>\$ 5,435,582</u>	<u>\$ 6,956,586</u>	<u>\$ 6,123,030</u>	<u>\$ 6,510,528</u>	<u>\$ 6,997,060</u>	<u>\$ 6,916,319</u>	<u>\$ 6,616,046</u>
<b>Change in Net Position</b>										
Governmental Activities	\$ (502,303)	\$ (12,220,594)	\$ 18,281,268	\$ (3,409,263)	\$ 965,801	\$ (7,446,915)	\$ 697,258	\$ (1,012,928)	\$ (705,681)	\$ 2,469,756
Business-type Activities	123,679	13,461,794	703,419	4,285,650	128,356	7,984,450	319,368	855,213	1,353,681	443,740
Total Primary Government	<u>\$ (378,624)</u>	<u>\$ 1,241,200</u>	<u>\$ 18,984,687</u>	<u>\$ 876,387</u>	<u>\$ 1,094,157</u>	<u>\$ 537,535</u>	<u>\$ 1,016,626</u>	<u>\$ (157,715)</u>	<u>\$ 648,000</u>	<u>\$ 2,913,496</u>

City of Mulvane, Kansas  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted: Insurance Claims	-	160,605	139,632	117,642	205,676	138,559	40,196	156,235	275,702	275,542
Assigned: General Government	-	746,627	2,799,723	2,781,546	1,408,934	3,643,955	3,009,377	2,946,773	2,692,998	1,979,839
Unreserved	1,631,791	-	-	-	-	-	-	-	-	-
Unassigned	-	699,690	-	-	1,805,946	-	1,438,247	1,129,253	1,279,140	1,649,750
Total General Fund	<u>1,631,791</u>	<u>1,606,922</u>	<u>2,939,355</u>	<u>2,899,188</u>	<u>3,420,556</u>	<u>3,782,514</u>	<u>4,487,820</u>	<u>4,232,261</u>	<u>4,247,840</u>	<u>3,905,131</u>
All Other Governmental Funds										
Reserved	\$ 131,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted: Debt Service	-	241,212	130,802	351,859	603,419	147,359	114,268	601,951	315,414	221,115
EMS Facility & Equipment	-	1,801,919	1,504,299	394,800	-	-	-	-	-	-
General Government	-	306,581	285,909	470,251	903,319	1,308,689	821,572	306,691	194,063	122,858
Recreation	-	60,261	85,430	125,077	287,970	528,310	832,185	945,165	1,179,447	577,767
Health and Welfare	-	6,830	39,636	44,587	59,373	81,665	106,878	70,969	87,977	58,421
Economic Development	-	153,253	159,646	373,437	437,536	488,678	499,479	475,272	518,714	461,572
Street Improvements	-	31,173	27,925	30,732	15,414	37,791	82,963	92,191	52,293	55,938
Capital Improvements	-	1,873	21,463	157,667	4,730,162	2,998,388	799,708	95,323	193,378	395,939
Committed: Street Improvements	-	430,201	461,980	463,229	355,445	306,441	334,764	331,384	311,321	320,007
Parks & Recreation	-	54,512	56,452	57,172	58,786	68,437	78,602	67,424	3,189	2,460
Capital Improvements	-	274,326	676,701	7,599,451	-	-	-	-	-	-
Assigned: General Government	-	-	-	-	-	-	-	-	-	-
Culture & Recreation	-	4,987	79	2,957	2	4,202	6,951	661	1,684	694
Capital Outlay	-	373,628	468,071	282,651	374,062	286,659	228,787	203,670	381,868	188,642
Unassigned	-	(13,786,952)	(141,277)	(249,159)	(799)	(477)	(314,697)	(1,303,181)	241,413	19
Unreserved, reported in:										
Capital Project Funds	500	-	-	-	-	-	-	-	-	-
Debt Service Funds	238,687	-	-	-	-	-	-	-	-	-
Special Revenue Funds	1,746,993	-	-	-	-	-	-	-	-	-
Total all other Governmental Funds	<u>\$ 1,986,180</u>	<u>\$ (10,046,196)</u>	<u>\$ 3,777,116</u>	<u>\$ 10,104,711</u>	<u>\$ 7,824,689</u>	<u>\$ 6,256,142</u>	<u>\$ 3,591,460</u>	<u>\$ 1,887,520</u>	<u>\$ 3,480,761</u>	<u>\$ 2,405,432</u>

Note: 2011 Fund Balance Classifications are the result of the implementation of Governmental Accounting Standards Board Statement Number 54.

City of Mulvane, Kansas  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Taxes	\$ 2,649,199	\$ 2,676,968	\$ 2,800,388	\$ 3,890,550	\$ 5,356,082	\$ 5,717,474	\$ 5,558,969	\$ 5,977,570	\$ 5,816,319	\$ 5,535,220
Special Assessment Taxes	524,968	517,422	488,220	1,825,520	2,080,579	1,716,222	2,113,053	1,721,295	1,964,110	1,951,808
Intergovernmental	778,034	663,855	2,442,513	2,528,703	2,697,818	2,537,254	2,476,111	2,464,974	2,544,760	2,630,805
Licenses and Permits	455,860	739,744	276,208	341,642	342,885	330,161	294,594	281,645	300,959	299,158
Charges for Services	274,776	260,920	503,924	304,186	339,117	343,678	383,857	446,216	449,633	424,845
Fines and Forfeitures	101,296	98,534	88,368	149,907	170,708	209,614	208,008	208,041	190,501	177,256
Use of Money & Property	24,457	45,416	144,472	144,397	149,046	637,884	658,099	657,735	695,680	1,654,182
Other Revenues	40,509	2,214,596	78,506	31,802	27,672	37,254	247,971	72,949	87,240	84,952
<b>Total Revenues</b>	<b>\$ 4,849,099</b>	<b>\$ 7,217,455</b>	<b>\$ 6,822,599</b>	<b>\$ 9,216,707</b>	<b>\$ 11,163,907</b>	<b>\$ 11,529,541</b>	<b>\$ 11,940,662</b>	<b>\$ 11,830,425</b>	<b>\$ 12,049,202</b>	<b>\$ 12,758,226</b>
<b>Expenditures</b>										
General Government	\$ 348,987	\$ 343,559	\$ 420,584	\$ 1,174,908	\$ 1,565,701	\$ 1,584,854	\$ 1,832,201	\$ 2,043,947	\$ 1,107,015	\$ 1,095,817
Public Safety	1,819,700	2,061,435	2,199,104	2,673,387	3,095,509	2,916,081	3,371,380	3,348,962	4,323,817	4,481,933
Highways and Streets	601,551	720,724	529,036	719,963	781,258	725,994	764,464	1,372,749	1,577,701	1,474,670
Culture and Recreation	619,363	665,260	795,930	880,129	939,174	1,453,318	1,374,513	1,277,834	1,258,069	2,134,189
Environmental Protection	1,600	414	829	46,702	53,279	39,363	39,250	106,437	1,215	478
Economic Development	11,358	91,345	26,008	49,927	219,093	291,281	340,265	343,545	283,558	404,978
Capital Outlay	285,772	14,349,717	5,314,426	3,249,817	8,698,524	2,051,227	2,715,999	1,851,688	1,811,575	469,774
Debt Service										
Principal	569,447	829,832	1,317,945	1,548,308	2,358,336	2,541,373	2,691,997	2,652,213	2,569,921	3,454,278
Interest	370,293	344,057	325,419	905,067	690,356	1,228,457	745,175	792,549	779,511	776,026
<b>Total Expenditures</b>	<b>\$ 4,628,071</b>	<b>\$ 19,406,343</b>	<b>\$ 10,929,281</b>	<b>\$ 11,248,208</b>	<b>\$ 18,401,230</b>	<b>\$ 12,831,948</b>	<b>\$ 13,875,244</b>	<b>\$ 13,789,924</b>	<b>\$ 13,712,382</b>	<b>\$ 14,292,143</b>
Revenues over (under) Expenditures	\$ 221,028	\$ (12,188,888)	\$ (4,106,682)	\$ (2,031,501)	\$ (7,237,323)	\$ (1,302,407)	\$ (1,934,582)	\$ (1,959,499)	\$ (1,663,180)	\$ (1,533,917)
<b>Other Financing Sources (Uses)</b>										
Bond Proceeds	\$ 2,938,000	\$ -	\$ 19,275,000	\$ 8,225,000	\$ 5,393,047	\$ 2,543,576	\$ 8,330,000	-	3,205,000	8,335,545
Premium on GO Bonds Issued	-	-	-	\$ 63,929	\$ 37,172	\$ 21,183	\$ 643,885	-	67,000	827,486
Premium on PBC Revenue Bonds Issued	-	-	-	-	\$ 74,450	-	-	-	-	-
Notes Payable	-	-	-	-	-	-	-	-	-	-
Payment to Escrow Agent	\$ (2,894,556)	-	-	-	-	(2,468,941)	(8,998,679)	-	-	(9,047,152)
Transfers In	455,178	235,969	507,048	743,950	489,148	182,887	458,311	125,000	422,647	162,238
Transfers Out	(455,178)	(235,969)	(519,621)	(713,950)	(515,148)	(182,887)	(458,311)	(125,000)	(422,647)	(162,238)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 43,444</b>	<b>\$ -</b>	<b>\$ 19,262,427</b>	<b>\$ 8,318,929</b>	<b>\$ 5,478,669</b>	<b>\$ 95,818</b>	<b>\$ (24,794)</b>	<b>\$ -</b>	<b>\$ 3,272,000</b>	<b>\$ 115,879</b>
<b>Net Change in Fund Balance</b>	<b>\$ 264,472</b>	<b>\$ (12,188,888)</b>	<b>\$ 15,155,745</b>	<b>\$ 6,287,428</b>	<b>\$ (1,758,654)</b>	<b>\$ (1,206,589)</b>	<b>\$ (1,959,376)</b>	<b>\$ (1,959,499)</b>	<b>\$ 1,608,820</b>	<b>\$ (1,418,038)</b>
Debt Service as a Percentage of Non-capital Expenditures	21.64%	23.21%	29.27%	30.67%	31.42%	34.97%	30.80%	28.85%	28.14%	31.77%



City of Mulvane, Kansas  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Real Property</u>		<u>Personal Property</u>		<u>Total</u>		<u>Total Direct Tax Rate</u>	<u>Assessed Value as a % of Estimated Actual Value</u>
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>		
2010	\$31,431,189	\$261,926,575	\$659,428	\$2,181,211	\$32,090,617	\$264,107,786	53.753	12.15%
2011	\$32,911,846	\$274,265,383	\$6,458,564	\$21,528,547	\$39,370,410	\$295,793,930	52.759	13.31%
2012	\$53,799,211	\$448,326,758	\$610,836	\$2,036,120	\$54,410,047	\$450,362,878	46.531	12.08%
2013	\$90,689,753	\$488,497,844	\$542,529	\$2,018,951	\$91,232,282	\$490,516,795	41.923	18.60%
2014	\$73,772,161	\$421,192,368	\$604,247	\$2,237,952	\$74,376,408	\$423,430,320	42.406	17.57%
2015	\$80,317,379	\$446,207,661	\$594,490	\$2,201,815	\$80,911,869	\$448,409,476	46.531	18.04%
2016	\$80,264,699	\$440,205,239	\$304,910	\$1,131,217	\$80,569,609	\$441,336,456	41.923	18.26%
2017	\$81,925,806	\$463,252,202	\$284,286	\$1,057,963	\$82,210,092	\$464,310,165	42.262	17.71%
2018	\$86,319,759	\$479,554,217	\$295,826	\$1,047,426	\$86,615,585	\$480,601,643	44.304	18.02%
2019	\$89,113,156	\$495,373,893	\$280,515	\$1,040,711	\$89,393,671	\$496,414,604	46.590	18.01%

Source: State - Division of Budget  
Sedgwick County Clerk  
Sumner County Clerk

City of Mulvane, Kansas  
Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years  
(per \$1000 of Assessed Value)

**Sedgwick County**

Fiscal Year	City Rates								Overlapping Government Rates					
	General	Debt Service	Employee Benefits	Library	Industrial Development	Capital Improvements	Special Liability	Total City	State	County	School	Cemetery	Township	Total
2010	22.197	12.194	14.997	3.873	0.164	0.164	0.164	53.753	1.500	29.359	56.204	1.198	0.000	142.014
2011	22.288	9.256	16.631	4.098	0.162	0.162	0.162	52.759	1.500	29.428	56.849	1.459	0.000	141.995
2012	9.703	11.863	20.403	4.029	0.163	0.207	0.163	46.531	1.500	29.447	52.862	1.459	0.000	131.799
2013	9.630	3.734	18.571	3.056	0.163	5.048	1.721	41.923	1.500	29.377	55.382	0.998	0.000	129.180
2014	8.507	7.635	20.495	4.061	0.131	1.401	0.176	42.406	1.500	29.478	60.905	1.466	0.000	135.755
2015	14.625	9.417	9.276	3.498	0.086	5.276	0.084	42.262	1.500	29.383	64.306	1.466	0.000	138.917
2016	9.503	15.316	10.972	5.000	0.053	1.283	2.120	44.247	1.500	29.393	62.956	1.492	0.000	139.588
2017	26.734	3.256	5.454	5.007	0.065	2.347	1.441	44.304	1.500	29.393	62.397	1.482	0.000	139.076
2018	26.191	7.063	6.096	4.972	0.051	2.191	0.039	46.603	1.500	29.383	59.244	1.454	0.000	138.184
2019	26.896	5.533	6.632	4.999	0.056	2.437	0.037	46.590	1.500	29.384	64.511	1.429	0.000	143.414

**Sumner County**

2010	22.197	12.194	14.997	3.873	0.164	0.164	0.164	53.753	1.500	62.444	56.205	1.198	0.000	175.100
2011	22.288	9.256	16.631	4.098	0.162	0.162	0.162	52.759	1.500	61.270	56.847	1.459	0.000	173.835
2012	9.703	11.863	20.403	4.029	0.163	0.207	0.163	46.531	1.500	42.660	52.862	1.462	0.000	145.015
2013	9.630	3.734	18.571	3.056	0.163	5.048	1.721	41.923	1.500	39.948	55.382	0.998	0.000	139.751
2014	8.507	7.635	20.495	4.061	0.131	1.401	0.176	42.406	1.500	42.327	60.905	1.466	0.000	148.604
2015	14.625	9.417	9.276	3.498	0.086	5.276	0.084	42.262	1.500	44.235	64.306	1.466	0.000	153.769
2016	9.503	15.316	10.972	5.000	0.053	1.283	2.120	44.247	1.500	48.888	62.956	1.492	0.000	159.083
2017	26.734	3.256	5.454	5.007	0.065	2.347	1.441	44.304	1.500	48.585	62.397	1.482	0.000	158.268
2018	26.191	7.063	6.096	4.972	0.051	2.191	0.039	46.603	1.500	48.362	59.244	1.454	0.000	157.163
2019	26.896	5.533	6.632	4.999	0.056	2.437	0.037	46.590	1.500	52.375	64.511	1.429	0.000	166.405

Source: Sedgwick County Clerk  
Sumner County Clerk

City of Mulvane, Kansas  
Principal Property Taxpayers  
Current Year and Nine Years Ago

2019			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
<b>Sedgwick County:</b>			
Kansas Gas & Electric	\$ 362,467	1	0.41%
Country Walk DG Prattville LLC	351,440	2	0.39%
Larry J Fugate	212,930	3	0.24%
BNSF	202,497	4	0.23%
Casey's Retail company	197,000	5	0.22%
Pamela A Schaefer	191,036	6	0.21%
O'Reilly Auto Enterprises LLC	187,450	7	0.21%
Traditional Holding Company LLC	181,662	8	0.20%
Prairie State Bank	161,735	9	0.18%
Westfall Mini-Storage LLC	146,393	10	0.16%
	<u>\$ 2,194,610</u>		<u>2.45%</u>

<b>Sumner County:</b>			
Kansas Star Casino	\$ 45,900,517	1	51.35%
KSC Lodging, LC	3,653,603	2	4.09%
Dabitojo Dev, LLC	152,168	2	0.17%
Mulvane Coop Union	246,062	3	0.28%
John Brewer	210,887	4	0.24%
Karl Jones	202,213	5	0.23%
BNSF	195,751	6	0.22%
Union Pacific	152,249	7	0.17%
Central Plains	146,383	8	0.16%
Carson Bank	144,411	9	0.16%
	<u>\$ 51,004,244</u>		<u>57.06%</u>

2010			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
<b>Sedgwick County:</b>			
Kansas Gas Service	\$ 298,651	1	0.930%
Mulvane Housing Associated LP	252,701	2	0.790%
Prairie State Bank	164,108	3	0.510%
Olderbak Enterprises South	144,650	4	0.450%
Gary Branine	135,001	5	0.420%
Antonio L Carro MD PA	122,960	6	0.380%
L Joyce Carr Rev Trust	117,325	7	0.370%
Ray & Sharron Westfall	112,975	8	0.350%
BNSF	110,108	9	0.340%
Congleton LLC	106,669	10	0.330%
	<u>\$ 1,565,148</u>		<u>4.870%</u>
<b>Sumner County:</b>			
Carson Bank	\$ 151,502	1	0.470%
Gregory Flickinger	137,167	2	0.430%
Mulvane Coop	135,381	3	0.420%
Pearl Street Duplex	114,496	4	0.360%
Pendergraft Properties	111,707	5	0.350%
Southwestern Bell	109,302	6	0.340%
Wolfe, R.E. LLC	108,198	7	0.340%
BNSF	105,658	8	0.330%
Gilbert, Dennis	88,523	9	0.280%
Ratzlaff Properties, LLC	96,098	10	0.300%
	<u>\$ 1,158,032</u>		<u>3.620%</u>

Source: Sumner County Clerk  
Sedgwick County Clerk

**City of Mulvane, Kansas  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected Within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years *</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>% of Levy</u>		<u>Amount</u>	<u>% of Levy</u>
2010	\$1,705,517	\$1,648,189	96.64%	\$46,813	\$1,695,002	99.38%
2011	\$1,724,968	\$1,643,752	95.29%	\$31,191	\$1,674,943	97.10%
2012	\$1,736,417	\$1,647,302	94.87%	\$78,429	\$1,725,731	99.38%
2013	\$2,576,349	\$2,527,700	98.11%	\$42,341	\$2,570,041	99.76%
2014	\$3,842,113	\$3,797,386	98.84%	\$81,919	\$3,879,305	100.97%
2015	\$3,143,298	\$3,112,959	99.03%	\$49,763	\$3,162,722	100.62%
2016	\$3,453,308	\$3,427,461	99.25%	\$32,392	\$3,459,853	100.19%
2017	\$3,564,953	\$3,485,752	97.78%	\$25,108	\$3,510,860	98.48%
2018	\$3,642,244	\$3,605,431	98.99%	\$25,157	\$3,630,588	99.68%
2019	\$4,022,772	\$3,963,308	98.52%	\$21,013	\$3,984,321	99.04%

Source: City Revenue Report  
Sedgwick County Clerk  
Sumner County Clerk

\* County Treasurer's records do not provide a determination of which year the collections in subsequent years is applied to.  
For this schedule, all collections of delinquent taxes are applied to the year collected.

City of Mulvane, Kansas  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business Type Activities			Total Primary Government	% of Personal Income	Per Capita
	General Obligation Bonds	Public Building Commission Revenue Bonds	Temporary Notes	Notes Payable	Unamortized Premium on Bonds	Revenue Bonds	G.O. Bonds Secured by Enterprise Funds	Unamortized Premium on G.O. Bonds Secured by Enterprise Funds			
2010	\$8,934,000	\$1,155,000	-	\$72,792	-	\$10,080,000	\$1,515,371	-	\$21,757,163	18.24%	\$3,560
2011	\$6,701,454	\$1,060,000	\$10,000,000	\$55,135	-	\$4,690,000	\$6,008,546	-	\$28,515,135	18.13%	\$4,666
2012	\$24,771,522	\$965,000	-	\$37,122	-	\$4,620,000	\$5,842,478	-	\$36,236,122	22.97%	\$5,914
2013	\$31,561,590	\$870,000	\$715,000	\$18,746	\$59,292	\$4,535,000	\$5,531,410	-	\$43,291,038	26.83%	\$6,908
2014	\$30,510,047	\$4,975,000	-	-	\$148,861	\$4,450,000	\$4,896,953	-	\$44,980,861	25.71%	\$7,155
2015	\$28,711,252	\$4,485,000	-	-	\$145,214	\$1,200,000	\$7,353,748	\$22,011	\$41,917,225	23.04%	\$6,665
2016	\$26,199,255	\$3,990,000	\$315,000	-	\$690,962	-	\$7,603,745	\$89,018	\$38,887,980	21.09%	\$6,159
2017	\$24,052,043	\$3,485,000	\$2,515,000	-	\$595,182	-	\$6,738,957	\$67,942	\$37,454,124	20.15%	\$5,890
2018	\$24,207,122	\$3,965,000	-	-	\$567,072	-	\$5,805,878	\$49,828	\$34,594,900	18.15%	\$5,392
2019	\$21,447,611	\$2,530,000	-	-	\$1,202,596	-	\$4,897,389	\$34,665	\$30,112,261	15.61%	\$4,618

**City of Mulvane, Kansas**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<u>Year</u>	<u>General Obligation Bonds</u>	<u>Premium on General Obligation Bonds</u>	<u>Less Debt Service Funds</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Property</u>	<u>Net Bonded Debt Per Capita</u>
2010	\$8,934,000	-	\$238,687	\$8,695,313	3.29%	\$1,423
2011	\$12,710,000	-	\$241,212	\$12,468,788	4.22%	\$2,040
2012	\$30,614,000	-	\$130,802	\$30,483,198	6.77%	\$4,975
2013	\$37,093,000	\$59,292	\$351,859	\$36,800,433	7.50%	\$5,872
2014	\$35,407,000	\$85,599	\$603,419	\$34,889,180	8.24%	\$5,549
2015	\$36,065,000	\$93,139	\$147,359	\$36,010,780	8.03%	\$5,726
2016	\$33,803,000	\$649,036	\$114,268	\$34,337,768	7.78%	\$5,438
2017	\$30,791,000	\$630,294	\$601,951	\$30,819,343	6.64%	\$4,847
2018	\$30,013,000	\$577,165	\$315,414	\$30,274,751	6.30%	\$4,719
2019	\$26,345,000	\$1,210,110	\$221,116	\$27,333,994	5.51%	\$4,192

Source: City's Financials  
Sedgwick County Clerk  
Sumner County Clerk

**City of Mulvane, Kansas**  
**Direct and Estimated Overlapping Governmental Activities Debt**  
**As of December 31, 2019**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>City's % Applicable</u>	<u>City's Amount of Overlapping Debt</u>
Estimated Overlapping Debt:			
Sedgwick County	\$ 39,915,000	0.66%	\$ 263,439
Sumner County	10,102,689	26.10%	2,636,802
School District #263	<u>13,770,000</u>	<u>35.38%</u>	<u>4,871,826</u>
Total Estimated Overlapping Debt	63,787,689	12.18%	7,772,067
City's Direct Debt	<u>28,875,000</u>	<u>100.00%</u>	<u>28,875,000</u>
Total Direct and Overlapping Debt	<u>\$ 92,662,689</u>	<u>39.55%</u>	<u>\$ 36,647,067</u>

\* The City's estimated amount of overlapping debt is calculated by the following formula:

$$\frac{\text{Assessed Valuation of Mulvane located in the broader governmental unit}}{\text{Total Assessed Valuation of the broader governmental unit}} \times \text{Outstanding debt of the broader governmental unit}$$

Source: Piper Jaffray Company

City of Mulvane, Kansas  
Legal Debt Margin  
Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt Limit	\$ 11,621,406	\$ 11,811,123	\$ 18,406,794	\$ 29,369,725	\$ 24,380,456	\$ 26,330,743	\$ 26,006,095	\$ 26,505,045	\$ 28,078,263	\$ 29,077,143
Total Net Debt Applicable to Limit	4,701,264	4,353,656	4,002,291	3,961,945	3,667,956	3,590,157	3,525,047	3,861,518	3,469,361	3,349,151
Legal Debt Margin	6,920,142	7,457,467	14,404,503	25,407,780	20,712,500	22,740,586	22,481,048	22,643,527	24,608,902	25,727,992
Total Net Debt Applicable to the Limit as a percentage of Debt Limit	40%	37%	22%	13%	15%	14%	14%	15%	12%	12%

**Legal Debt Margin Calculation for 2018**

Assessed Value	\$ 89,393,671
Motor-Vehicle K.S.A. 79-5113	7,251,445
Total Assessed Value	<u>\$ 96,645,116</u>
Debt Limit-Approximately 30% of Assessed Value (K.S.A. 10-308)	\$ 29,077,143
Bonded Indebtedness (including temporary notes)	26,345,000
Less Exempt Debt	<u>25,913,849</u>
Total Amount Applicable to Debt Limit	<u>431,151</u>
Legal Debt Margin	<u><u>\$ 28,645,992</u></u>

Source: City Financials  
Piper Jaffray Company



City of Mulvane, Kansas  
Pledged-Revenue Coverage - Electric Utility  
Last Ten Fiscal Years

Electric Revenue Bonds							
Year	Gross Revenues	Less Operating Expenses (1)	Net Available Revenue	Principal	Interest	Total	Coverage (2)
2010	\$4,083,306	\$3,587,632	\$495,674	\$161,667	\$177,335	\$339,002	1.46
2011	\$4,330,433	\$3,919,831	\$410,602	\$166,353	\$171,676	\$338,029	1.21
2012	\$4,058,302	\$3,647,053	\$411,249	---	\$68,223	\$68,223	6.03
2013	\$4,361,774	\$3,687,100	\$674,674	---	\$68,223	\$68,223	9.89
2014	\$4,861,914	\$4,387,777	\$474,137	---	\$68,223	\$68,223	6.95
2015	\$4,447,561	\$4,165,396	\$282,165	---	\$68,223	\$68,223	4.14
2016	\$4,870,084	\$4,189,546	\$680,538	---	---	---	---
2017	\$4,890,700	\$4,272,950	\$617,750	---	---	---	---
2018	\$5,327,706	\$4,522,210	\$805,496	---	---	---	---
2019	\$5,101,021	\$4,164,582	\$936,439	---	---	---	---

Source: City's Financial Statements

- (1) Total Operating Expenses exclusive of Depreciation and Amortization Expense
- (2) The Revenue Bond Resolution's minimum coverage requirement was 1.25. Coverage is computed on the combined utility systems, as per the Revenue Bond Resolution and was 4.37 for 2015, the last year the Revenue Bonds were outstanding.

City of Mulvane, Kansas  
Pledged-Revenue Coverage - Water Utility  
Last Ten Fiscal Years

Water Revenue Bonds							
<u>Year</u>	<u>Gross Revenues</u>	<u>Less Operating Expenses (1)</u>	<u>Net Available Revenue</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage (2)</u>
2010	\$954,273	\$709,475	\$244,798	---	---	---	---
2011	\$1,011,981	\$819,086	\$192,895	---	---	---	---
2012	\$1,139,153	\$837,650	\$301,503	---	---	---	---
2013	\$1,092,686	\$773,748	\$318,938	---	---	---	---
2014	\$1,099,838	\$868,626	\$231,212	---	---	---	---
2015	\$1,098,471	\$990,699	\$107,772	---	---	---	---
2016	\$1,109,000	\$911,817	\$197,183	---	---	---	---
2017	\$1,086,432	\$915,373	\$171,059	---	---	---	---
2018	\$1,122,746	\$956,248	\$166,498	---	---	---	---
2019	\$1,103,930	\$895,491	\$208,439	---	---	---	---

Source: City's Financial Statements

- (1) Total Operating Expenses exclusive of Depreciation and Amortization Expense
- (2) The Revenue Bond Resolution's minimum coverage requirement was 1.25. Coverage is computed on the combined utility systems, as per the Revenue Bond Resolution and was 4.37 for 2015, the last year the Revenue Bonds were outstanding.

City of Mulvane, Kansas  
Pledged-Revenue Coverage - Wastewater Utility  
Last Ten Fiscal Years

Wastewater Revenue Bonds							
Year	Gross Revenues	Less Operating Expenses (1)	Net Available Revenue	Principal (3)	Interest	Total	Coverage (2)
2010	\$1,325,968	\$635,582	\$690,386	\$238,333	\$277,308	\$515,641	1.34
2011	\$1,377,310	\$713,120	\$664,190	\$253,647	\$245,784	\$499,431	1.33
2012	\$1,558,904	\$802,911	\$755,993	\$70,000	\$126,954	\$196,954	3.84
2013	\$1,640,477	\$945,787	\$694,690	\$85,000	\$125,904	\$210,904	3.29
2014	\$1,625,235	\$869,304	\$755,931	\$85,000	\$124,417	\$209,417	3.61
2015	\$1,743,369	\$865,676	\$877,693	\$85,000	\$122,717	\$207,717	4.23
2016	\$1,974,679	\$881,875	\$1,092,804	---	---	---	---
2017	\$1,878,946	\$858,739	\$1,020,207	---	---	---	---
2018	\$1,815,209	\$928,471	\$886,738	---	---	---	---
2019	\$1,799,116	\$963,707	\$835,409	---	---	---	---

Source: City's Financial Statements

- (1) Total Operating Expenses exclusive of Depreciation and Amortization Expense
- (2) The Revenue Bond Resolution's minimum coverage requirement was 1.25. Coverage is computed on the combined utility systems, as per the Revenue Bond Resolution and was 4.37 for 2015, the last year the Revenue Bonds were outstanding.

City of Mulvane, Kansas  
Pledged-Revenue Coverage - Storm Water Utility  
Last Ten Fiscal Years

Storm Water Revenue Bonds							
Year	Gross Revenues	Less Operating Expenses (1)	Net Available Revenue	Principal	Interest	Total	Coverage (2)
2010	\$31,769	\$0	\$31,769	---	---	---	---
2011	\$31,247	\$0	\$31,247	---	---	---	---
2012	\$31,531	\$1,990	\$29,541	---	---	---	---
2013	\$31,880	\$8,510	\$23,370	---	---	---	---
2014	\$31,813	\$25,473	\$6,340	---	---	---	---
2015	\$31,961	\$92,865	(\$60,904)	---	---	---	---
2016	\$34,974	\$46,094	(\$11,120)	---	---	---	---
2017	\$42,001	\$45,825	(\$3,824)	---	---	---	---
2018	\$42,694	\$19,300	\$23,394	---	---	---	---
2019	\$61,565	\$46,389	\$15,176	---	---	---	---

Source: City's Financial Statements

- (1) Total Operating Expenses exclusive of Depreciation and Amortization Expense
- (2) The Revenue Bond Resolution's minimum coverage requirement was 1.25. Coverage is computed on the combined utility systems, as per the Revenue Bond Resolution and was 4.37 for 2015, the last year the Revenue Bonds were outstanding.

**City of Mulvane, Kansas**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>	
						<u>Sedgwick County</u>	<u>Sumner County</u>
2010	6,111	\$ 119,305	\$ 19,523	34.5	2,209	8.50%	7.90%
2011	6,111	\$ 157,315	\$ 25,743	34.5	2,203	7.30%	6.20%
2012	6,127	\$ 157,727	\$ 25,743	35.1	1,920	6.10%	5.60%
2013	6,267	\$ 161,331	\$ 25,743	35.1	1,808	5.30%	4.70%
2014	6,287	\$ 174,973	\$ 27,831	35.1	1,821	4.50%	4.10%
2015	6,289	\$ 181,934	\$ 28,929	39.3	1,900	4.40%	3.90%
2016	6,314	\$ 184,432	\$ 29,210	38.8	1,821	4.40%	4.10%
2017	6,359	\$ 185,886	\$ 29,232	35	1,784	3.60%	3.20%
2018	6,416	\$ 190,658	\$ 29,716	36.5	1,874	3.50%	3.20%
2019	6,520	\$ 192,953	\$ 29,594	42.6	1,781	3.20%	3.00%

Source: Kansas Division of Budget  
USD #263  
U.S. Department of Labor  
City Data.com  
U.S. Census Bureau  
World Population Review

City of Mulvane, Kansas  
Principal Employers  
Current Year and Nine Years Ago

<u>Employer</u>	<u>2019</u>			<u>2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Population</u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Population</u>
Kansas Star Casino	825	1	12.65%	Not Available	0	
USD #263	320	2	4.91%	333	1	5.45%
Villa Maria Inc	284	3	4.36%	102	2	1.67%
City of Mulvane	76	4	1.17%	56	3	0.92%
Cowley County College	55	5	0.84%	50	4	0.82%
Dillons	45	6	0.69%	45	5	0.74%
Carson Bank	28	7	0.43%	39	6	0.64%
KMI	35	8	0.54%	Not Available		
Maria Court	20	9	0.31%	25	7	0.41%
Ledford Gage	16	10	0.25%	20	10	0.33%
	<u>1704</u>		<u>26.13%</u>	<u>670</u>		<u>10.98%</u>

Note: Employment for only the City of Mulvane is not tracked by any City, County or State agency. Employees by employer obtained by direct solicitation from the major employers by City personnel.

**City of Mulvane, Kansas**  
**Fulltime Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Administration	9	9	9	10	10	8	9	9	9	9
Police Officers	11	11	12	14	14	15	14	15	15	15
Police Dispatchers	6	6	6	6	6	6	6	6	6	6
Emergency Services	3	3	3	19	19	19	20	20	20	20
Public Works	9	10	10	10	10	9	10	12	12	12
Electric	8	8	8	8	8	9	8	7	7	7
Water	4	4	4	4	4	4	4	4	3	3
Wastewater	4	4	4	4	4	4	4	4	4	4
Total	<u>54</u>	<u>55</u>	<u>56</u>	<u>75</u>	<u>75</u>	<u>74</u>	<u>75</u>	<u>77</u>	<u>76</u>	<u>76</u>

Source: City's Annual Report from City's Individual Department Supervisors

**City of Mulvane, Kansas**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
Police										
Calls for Service	3,669	3,508	3,701	3,813	3,742	4,138	4,202	4,459	4,264	4,387
Moving Citations	517	623	658	721	719	959	921	816	570	663
DUI Arrests	17	15	68	51	25	35	17	22	12	14
Arrests	214	213	316	348	390	424	453	386	352	423
Emergency Services										
Fire & Rescue Calls	350	389	436	408	362	384	426	412	430	462
Ambulance Calls	762	736	793	853	1,003	1,094	1,195	1,263	1,253	1,350
Electric										
New Connections	5	4	39	1	9	7	14	44	16	17
Average Daily Usage (mWh/Day)	119	120	117	114	116	115	114	122	124	124
Peak Daily Usage (kW)	12,700	13,100	13,100	13,200	13,000	12,700	12,800	13,200	12,800	12,800
Water										
New Connections	1	8	32	2	9	7	14	29	13	18
Average Daily Consumption (Gallons)	483,110	494,129	561,377	530,836	544,368	594,296	496,153	497,916	514,068	491,983
Peak Daily Consumption (Gallons)	835,000	916,000	1,110,000	1,003,000	1,235,000	1,211,000	888,060	1,020,000	1,104,000	876,030
Wastewater										
Average Daily Sewage Treatment	417,164	377,487	401,639	438,419	451,320	434,833	446,000	419,712	474,610	516,380

Source: City's Annual Report from City's Individual Department Supervisors



**City of Mulvane, Kansas**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
<b>Police</b>										
Police Station	1	1	1	1	1	1	1	1	1	1
Patrol Units	11	11	11	11	11	11	11	11	11	11
<b>Fire/EMS</b>										
Fire Station	1	1	1	1	2	2	2	2	2	2
Fire & Rescue Trucks	11	11	11	12	12	12	12	12	12	12
Ambulances	2	2	3	3	3	4	4	4	4	4
<b>Parks &amp; Recreation</b>										
Acreage	70.3	70.3	70.3	70.3	70.3	70.3	70.3	70.3	70.3	70.3
Neighborhood Parks	16	16	16	16	16	16	16	16	16	16
Sports Complex	1	1	1	1	1	1	1	1	1	1
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Sr. Center	1	1	1	1	1	1	1	1	1	1
Library	1	1	1	1	1	1	1	1	1	1
<b>Streets</b>										
Streets (Miles)	38	38	38	38	38	38	38	38	43	43
Traffic Signals	3	3	3	3	3	3	3	3	3	3
<b>Electric</b>										
Power Plant	2	2	2	2	2	2	1	1	1	1
Miles of Line	33	33	33	33	33	33	34	34	34	34
Generating Capacity (kw)	16600	16600	16600	16600	16600	16600	8200	8200	8200	8200
<b>Water</b>										
Water Mains (Miles)	35	39	39	39	39	39	40	40	40	40
Fire Hydrants	221	221	221	221	221	221	256	256	286	286
Storage Capacity (kgal)	800	800	800	800	800	800	1300	1300	1300	1300
<b>Wastewater</b>										
Sanitary Sewers (Miles)	26	34	34	34	34	34	35	35	35	35
Storm Sewers (Miles)	1	1	1	1	1	1	17	17	17	17
Treatment Capacity (mgd)	1	1	1	1	1	1	0.5	0.5	0.5	0.5
Lift Stations	5	5	5	5	5	5	4	4	4	4

Source: City's Annual Report from City's Individual Department Supervisors