CITY OF VALLEY FALLS
Valley Falls, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2019

CITY OF VALLEY FALLS, KANSAS

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Year ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Valley Falls
Valley Falls, Kansas

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

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

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

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

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

Opinions

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles
As described in Note C of the financial statement, the financial statement is prepared by the City of Valley Falls, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide,* which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

INPACT
INTERNATIONAL NETWORK OF PROFESSIONAL ACCOUNTANTS
AFFILIATE

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

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Valley Falls, Kansas as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Other Matters

Required Regulatory Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds, (Schedules 1, and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide.* Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative
We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City of Valley Falls as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated April 1, 2019, which contained an unmodified opinion on the basic financial statement. The 2018 basic financial statements and accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link http//admin.ks.gov/offices/oar/municipal-services. The 2018 actual column (2018 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2019 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note C.

Harold K. Mayes Jr

Harold K Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
March 19, 2020

City of Valley Falls, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2019

Fund	Unencumbered Cash Balance Beginning of Year	Cash Receipts
Governmental Type Funds		
General Fund	$ 147,260	$ 514,833
Special Purpose Funds		
Consolidated Street & Highway	0	96,453
Special equipment reserve	10,368	951
Bond and Interest Fund		
Bond and Interest	237,723	126,899
Capital Projects Fund		
Capital Improvements	385	4,315
	395,736	743,451
Business Funds		
Water Utility	194,838	205,681
Sewer Utility	288,895	139,618
Solid Waste	54,869	101,224
	538,602	446,523
	$ 934,338	$ 1,189,974

The accompanying notes are an integral part of this statement.

Expenditures	Unencumbered Cash Balance End of Year	Add Outstanding Encumbrances and Accounts Payable	Cash Balance End of Year
$ 622,924	$ 39,169	$ 6,770	$ 45,939
0	96,453	0	96,453
0	11,319	0	11,319
108,688	255,934	0	255,934
12	4,688	0	4,688
731,624	407,563	6,770	414,333
220,549	179,970	29,370	209,340
147,513	281,000	417	281,417
108,783	47,310	8,384	55,694
476,845	508,280	38,171	546,451
$ 1,208,469	$ 915,843	$ 44,941	$ 960,784

Cash balance consisting of	
Balance on deposit	
Checking, money market accounts & petty cash	$ 318,760
Certificates of deposit	642,024
Total cash	$ 960,784

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENT
December 31, 2019

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Valley Falls is a municipal corporation governed by an elected five member commission. This financial statement presents the City of Valley Falls (the municipality).

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City potential could have the following types of funds.

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

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

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

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

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

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.). The City does not have any funds of this type for this year.

Agency fund – funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.). The City does not have any funds of this type for this year.

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

City of Valley Falls, Kansas has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

NOTE D. BUDGETARY INFORMATION

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The Bond & Interest Fund budget was amended for this year.

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

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

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

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

Special equipment reserve

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

NOTE E. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the City or in an adjoining City 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 bank to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

NOTE E. DEPOSITS AND INVESTMENTS – Continued

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

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 has no investments other than money markets and certificates of deposit.

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at December 31, 2019.

At December 31, 2019, the carrying amount of the City's bank deposits was $960,784 and the bank balance as $961,297. The bank balance was held by one bank which increases concentration risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, $250,000 was covered by federal depository insurance and $711,297 was collateralized with securities held by the pledging financial institution's agents in the City's name.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year end.

NOTE F. LONG-TERM DEBT

Debt Issued	Interest Rate	Date of Issue	Amount	Maturity
Revenue Bonds				
Series 2016 - Swimming pool	1% to 3.75%	10/26/2016	$ 1,535,000	04/01/2037
Loan Agreement:				
Kendall State Bank	2.35%	05/20/2013	175,528	02/01/2019

Debt Issued	Beginning of Year Balance	Additions	Reductions/ Payments	End of Year Balance	Interest Paid
Revenue Bonds					
Series 2016 - Swimming pool	$ 1,495,000	$ 0	$ 65,000	$ 1,430,000	$ 42,688
Loan Agreement:					
Kendall State Bank	15,368	0	15,368	0	175
Total	$ 15,368	$ 0	$ 15,368	$ 0	$ 42,863

NOTE F. LONG-TERM DEBT – continued

Detail of payments by year	2020	2021	2022	2023	2024
Principal:					
Series 2016 - Swimming Pool	$ 65,000	$ 65,000	$ 65,000	$ 65,000	$ 70,000

	2025-2029	2030-2034	2035-2037		Total
Principal:					
Series 2016 - Swimming Pool	$ 290,000	$ 510,000	$ 300,000		$ 1,430,000

Detail of payments by year	2020	2021	2022	2023	2024
Interest:					
Series 2016 - Swimming Pool	$ 41,842	$ 40,869	$ 39,762	$ 38,527	$ 37,107

	2025-2029	2030-2034	2035-2037		Total
Interest:					
Series 2016 - Swimming Pool	$ 157,830	$ 94,331	$ 17,249		$ 467,517

The debt limit per Kansas Statutes is limited to thirty percent of the assessed tangible valuation given by the County Appraiser to the County Clerk on June 15 each year. At December 31, 2019, the statutory limit for the City was $1,905,037 providing a debt margin of $1,905,037 after removing debt exempt from the limitation.

NOTE G. INTERFUND TRANSFERS

From:	To:	Statutory Authority	Amount
No transfers in 2019.			

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

Compensated Absences: The estimated amount of liability for the vested portion of unused sick leave and accumulated vacation leave has not been calculated. Unpaid vacation and sick pay amounts are not accrued in the accompanying financial statements.

NOTE I. DEFINED BENEFIT PENSION PLAN

Plan description. The City of Valley Falls participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89% for the fiscal year ended December 31, 2019. Contributions to the pension plan from the City were $28,527, for KPERS for the year ended December 31, 2019.

Net Pension Liability. At December 31, 2019, the City of Valley Falls' proportionate share of the collective net pension liability reported by KPERS was $237,973. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The City of Valley Falls' proportion of the net pension liability was based on the ratio of the City of Valley Falls' contributions to KPERS, relative to the total employer and non-employer contributions of the local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE J. OTHER POSTEMPLOYMENT BENEFITS – THRU KPERS

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

NOTE K. 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; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE L. OTHER INFORMATION

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Ad valorem tax revenues: The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with Kansas 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 become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20th, prior to the fiscal year for which they are budgeted and the second half is due the following May 10th. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality.

For December 31, 2019 no statutory violations were noted.

NOTE M. SUBSEQUENT EVENTS

Subsequent Events: The City evaluated subsequent events through March 19, 2020, the date the financial statements were available to be issued. The City has a contract in the amount of $303,300. As of December 31, 2019 the City paid a balance of $25,160 on the contract. The remaining balance will be paid next year as work is completed.

REGULATORY BASIS
SUPPLEMENTARY INFORMATION

City of Valley Falls, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type funds					
General Fund	$ 901,071	$ 0	$ 901,071	$ 622,924	$ (278,147)
Special Purpose Funds					
Consolidated Street & Highway	0	0	0	0	0
Special Equipment Reserve	3,000	0	3,000	0	(3,000)
Bond and Interest Fund					
Bond and Interest	108,688	0	108,688	108,688	0
Business Funds					
Water Utility	314,356	0	314,356	220,549	(93,807)
Sewer Utility	250,221	0	250,221	147,513	(102,708)
Solid Waste	155,100	0	155,100	108,783	(46,317)

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
Cash receipts	**2018 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Taxes				
Ad valorem property tax	$ 196,692	$ 204,577	$ 210,221	$ (5,644)
Back tax collections	2,239	3,142	0	3,142
Motor vehicle tax	30,380	30,945	28,369	2,576
Recreational Vehicle tax	523	305	381	(76)
16/20M vehicle tax	0	0	612	(612)
Commercial Vehicle Tax	0	0	2,393	(2,393)
Watercraft Tax	0	0	206	(206)
Compensating use tax	0	0	16,000	(16,000)
Sales tax	133,629	86,186	306,000	(219,814)
State Revenues	0	31,072	0	31,072
In lieu of taxes	4,698	5,000	5,900	(900)
	368,161	361,227	570,082	(208,855)
Licenses, fees and permits				
License and permits	1,172	1,002	1,000	2
Swimming pool	34,164	37,358	20,000	17,358
Franchise fees	53,525	52,846	68,000	(15,154)
Police	28,988	7,827	45,000	(37,173)
	117,849	99,033	134,000	(34,967)
Use of money and property				
Interest on investments	6,010	9,111	4,600	4,511
Other				
Rural Housing Incentive Districts	0	7,920	0	7,920
Reimbursed expenses	136,136	18,217	5,200	13,017
Miscellaneous	16,366	19,325	1,200	18,125
	152,502	45,462	6,400	39,062
Transfers				
Transfer from Solid Waste	0	0	65,000	(65,000)
Total cash receipts	644,522	514,833	$ 780,082	$ (265,249)
Expenditures				
Personnel services	285,152	326,160	$ 341,398	$ (15,238)
General government	45,937	57,906	66,300	(8,394)
Public safety	41,286	25,220	58,500	(33,280)
Highway & streets	68,806	106,865	64,500	42,365
Sanitation	3,146	4,758	0	4,758
Recreation & culture	3,906	6,162	9,000	(2,838)
Capital outlay	150,000	5,065	0	5,065
Swimming pool	90,350	82,518	10,000	72,518

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Expenditures - Continued				
Court	$ 9,357	$ 8,270	$ 0	$ 8,270
Bond Payment	0	0	108,688	(108,688)
Transfers	0	0	242,685	(242,685)
Total expenditures	697,940	622,924	$ 901,071	$ (278,147)
Receipts over (under) expenditures	(53,418)	(108,091)		
Unencumbered cash, beginning of year	200,678	147,260		
Unencumbered cash, end of year	$ 147,260	$ 39,169		

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
CONSOLIDATED STREET & HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Taxes				
Gas & Sales tax	$ 65,807	$ 96,453	$ 37,700	$ 58,753
Transfers In	22,365	0	0	0
Total Cash Receipts	88,172	96,453	37,700	58,753
Expenditures				
Contractual services	186,342	0	0	0
Total expenditures	186,342	0	$ 0	$ 0
Receipts over (under) expenditures	(98,170)	96,453		
Unencumbered cash, beginning of year	98,170	0		
Unencumbered cash, end of year	$ 0	$ 96,453		

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2c

SPECIAL PURPOSE FUNDS
SPECIAL EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Special Equipment Revenue	$ 0	$ 951	$ 10,000	$ (9,049)
Expenditures				
Capital outlay	0	0	$ 3,000	$ (3,000)
Receipts over (under) expenditures	0	951		
Unencumbered cash, beginning of year	10,368	10,368		
Unencumbered cash, end of year	$ 10,368	$ 11,319		

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2d

BOND AND INTEREST FUND
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
State sales tax	$ 113,506	$ 126,899	$ 126,944	$ (45)
Total cash receipts	113,506	126,899	$ 126,944	$ (45)
Expenditures				
Legal fees	5,575	1,000	$ 0	$ 1,000
Bond payment	83,278	107,688	108,688	(1,000)
Total expenditures	88,853	108,688	$ 108,688	$ 0
Receipts over (under) expenditures	24,653	18,211		
Unencumbered cash, beginning of year	213,070	237,723		
Unencumbered cash, end of year	$ 237,723	$ 255,934		

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2e

CAPITAL FUND PROJECTS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

	2018 Actual	2019 Actual
Cash receipts		
Interest	$ 1,287	$ 4,315
Other	212,445	0
Transfers In	3,200	0
Total cash receipts	216,932	4,315
Expenditures		
Swimming pool	844,375	12
Total expenditures	844,375	12
Receipts over (under) expenditures	(627,443)	4,303
Unencumbered cash, beginning of year	627,828	385
Unencumbered cash, end of year	$ 385	$ 4,688

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2f

BUSINESS FUNDS
WATER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Charges for services	$ 212,833	$ 205,681	$ 201,774	$ 3,907
Total cash receipts	212,833	205,681	$ 201,774	$ 3,907
Expenditures				
Personnel services	66,305	72,549	$ 66,503	$ 6,046
Commodities	46,295	54,864	44,000	10,864
Debt service	31,320	15,542	25,000	(9,458)
Contractual	36,766	51,769	12,000	39,769
Capital outlay	292	25,825	166,853	(141,028)
Total expenditures subject to budget	180,978	220,549	$ 314,356	$ (93,807)
Receipts over (under) expenditures	31,855	(14,868)		
Unencumbered cash, beginning of year	162,983	194,838		
Unencumbered cash, end of year	$ 194,838	$ 179,970		

See Independent Auditor's Report.

City of Valley Falls, Kansas

Schedule 2g

BUSINESS FUNDS
SEWER SERVICE UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Charges for services	$ 130,358	$ 139,618	$ 131,851	$ 7,767
Total cash receipts	130,358	139,618	$ 131,851	$ 7,767
Expenditures				
Personnel services	74,968	73,505	$ 75,721	$ (2,216)
Commodities	34,767	60,641	24,500	36,141
Contractual services	10,724	13,367	0	13,367
Capital Outlay	0	0	150,000	(150,000)
Total expenditures subject to budget	120,459	147,513	$ 250,221	$ (102,708)
Receipts over (under) expenditures	9,899	(7,895)		
Unencumbered cash, beginning of year	278,996	288,895		
Unencumbered cash, end of year	$ 288,895	$ 281,000		

See Independent Auditor's Report.

City of Valley Funds, Kansas

Schedule 2h

BUSINESS FUNDS
SOLID WASTE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2019
(With Comparative Actual Totals for the Prior Year Ended December 31, 2018)

		2019		
	2018 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Charges for services	$ 94,547	$ 101,224	$ 92,974	$ 8,250
Expenditures				
Contractual services	94,516	108,783	$ 90,100	$ 18,683
Transfers Out	25,565	0	65,000	(65,000)
Total Expenditures	120,081	108,783	$ 155,100	$ (46,317)
Receipts over (under) expenditures	(25,534)	(7,559)		
Unencumbered cash, beginning of year	80,403	54,869		
Unencumbered cash, end of year	$ 54,869	$ 47,310		

See Independent Auditor's Report.