

**CITY OF LOUISBURG, KANSAS**

**Financial Statements**

**For the Year Ended December 31, 2019**

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CITY OF LOUISBURG, KANSAS  
Financial Statements  
For the Year Ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council  
City of Louisburg, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Louisburg, Kansas (the City), 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 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City 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 as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

*Other Matters*

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

*Other Matter*

The City’s basic financial statement for the year ended December 31, 2018 (not presented herein) was audited by other auditors whose report dated February 27, 2019, expressed an unmodified opinion on the basic financial statement. The 2018 basic financial statement and the other auditor’s report are available in electronic form from the web site of the Kansas Department of Administration at the following link: <https://admin.ks.gov/offices/oar/municipal-services>. The report of the other auditors dated February 27, 2019, stated that the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2018, was subjected to the auditing procedures applies in the audit of the 2018 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 2018 basic financial statements or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2018, on the basis of accounting described in Note 1.

*Gordon CPA LLC*

Certified Public Accountant  
Lawrence, Kansas

February 27, 2020

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

| <u>Funds</u>                          | Beginning<br>Unencumbered<br>Cash Balance | Receipts             | Expenditures         | Ending<br>Unencumbered<br>Cash Balance | Add:<br>Encumbrances<br>and Accounts<br>Payable | Ending<br>Cash<br>Balance |
|---------------------------------------|---|----------------------|----------------------|--|---|---------------------------|
| General Funds:                        |   |                      |                      |  |   |                           |
| General                               | \$ 2,366,794                              | \$ 3,035,883         | \$ 3,296,890         | \$ 2,105,787                           | \$ 14,373                                       | \$ 2,120,160              |
| Special Purpose Funds:                |   |                      |                      |  |   |                           |
| Special Street Fund                   | 1,108,341                                 | 561,092              | 626,295              | 1,043,138                              | -   | 1,043,138                 |
| Excise Tax Fund                       | 29,522                                    | 25,616               | -                    | 55,138                                 | -   | 55,138                    |
| Cops for Kids Fund                    | 6,619                                     | 1,290                | 514                  | 7,395                                  | -   | 7,395                     |
| Aquatic Center Operations Fund        | 1,856,876                                 | 552,872              | 149,812              | 2,259,936                              | -   | 2,259,936                 |
| Lewis Young Park Donations Fund       | 57,350                                    | 32,765               | -                    | 90,115                                 | -   | 90,115                    |
| Lewis Young Park Lighting Fund        | 52,459                                    | 549                  | -                    | 53,008                                 | -   | 53,008                    |
| Infrastructure Improvement Fund       | 17,316                                    | 282,203              | 214,243              | 85,276                                 | -   | 85,276                    |
| Freedom Fund                          | 15,915                                    | 5,574                | 5,798                | 15,691                                 | -   | 15,691                    |
| Cemetery Commission Fund              | 98,300                                    | 19,598               | -                    | 117,898                                | -   | 117,898                   |
| Fox Hall Commission Fund              | 40,213                                    | 5,255                | 6,449                | 39,019                                 | -   | 39,019                    |
| Bond and Interest Funds:              |   |                      |                      |  |   |                           |
| Bond and Interest Fund                | 228,748                                   | 826,598              | 707,608              | 347,738                                | -   | 347,738                   |
| Business Funds:                       |   |                      |                      |  |   |                           |
| Stormwater Fund                       | 697,260                                   | 97,818               | 92,718               | 702,360                                | -   | 702,360                   |
| Natural Gas Fund                      | 1,205,758                                 | 1,380,904            | 1,631,999            | 954,663                                | 144,161   | 1,098,824                 |
| Natural Gas Capital Improvement Fund  | 1,198,544                                 | 511,334              | 93,650               | 1,616,228                              | -   | 1,616,228                 |
| Water Fund                            | 233,260                                   | 1,480,050            | 1,565,506            | 147,804                                | 19,719  | 167,523                   |
| Water Capital Improvement Fund        | 105,694                                   | 130,465              | 232,263              | 3,896                                  | -   | 3,896                     |
| Water Utility Surplus Fund            | 799,223                                   | 8,243                | 30,000               | 777,466                                | -   | 777,466                   |
| Wastewater Fund                       | 271,952                                   | 1,303,440            | 1,501,157            | 74,235                                 | 106   | 74,341                    |
| Wastewater Capital Improvement Fund   | 2,062,556                                 | 2,328,693            | 2,489,568            | 1,901,681                              | -   | 1,901,681                 |
| Water/Sewer Bond Reserve Fund         | 288,136                                   | 2,664                | -                    | 290,800                                | -   | 290,800                   |
| Water/Sewer Depreciation Reserve Fund | 207,760                                   | 1,620                | -                    | 209,380                                | -   | 209,380                   |
| <b>Total</b>                          | <b>\$ 12,948,596</b>                      | <b>\$ 12,594,526</b> | <b>\$ 12,644,470</b> | <b>\$ 12,898,652</b>                   | <b>\$ 178,359</b>                               | <b>\$ 13,077,011</b>      |

COMPOSITION OF CASH:

|  |                             |
|--|-----------------------------|
| First National Bank                                    |                             |
| Fox Hall Savings                                       | \$ 3,736                    |
| Fox Hall Certificates of Deposit                       | 11,459                      |
| First Option Bank                                      |                             |
| Checking   | 4,363,700                   |
| Certificates of Deposit                                | 8,658,470                   |
| Freedom Fund   | 15,322                      |
| Landmark National Bank                                 |                             |
| Fox Hall Certificates of Deposit                       | 6,918                       |
| Bank Midwest   |                             |
| Fox Hall Checking                                      | 2,383                       |
| Fox Hall Money Mrkt                                    | 14,523                      |
| Muni Ct Checking                                       | 6,097                       |
| Petty cash on hand                                     | 500                         |
| <b>Total Cash</b>                                      | <b>13,083,108</b>           |
| Agency Funds per Schedule 3                            | <u>[6,097]</u>              |
| <b>Total Reporting Entity (Excluding Agency Funds)</b> | <b><u>\$ 13,077,011</u></b> |

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

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 1 – Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Louisburg (the City) is a municipal corporation governed by an elected council. These financial statements present the City (the primary government) and any related municipal entities of which the City is considered to be financially accountable. Blended municipal entities, although legally separate entities, are, in substance, part of the government's operations. Therefore, data from these entities are combined with data of the primary government.

The Fox Hall Commission is charged with the operation and management of the Fox Hall Community Building. It is comprised of five members appointed by the City Council. The Commission has a December 31 year end and is reported as a special purpose fund.

Basis of Accounting

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

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2019:

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

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

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

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types (Continued)

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

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

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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget was not amended for the year ended December 31, 2019.

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

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

A legal operating budget is not required for certain special purpose, capital project, business, and trust funds.

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

NOTE 2 - Deposits and Investments

*Deposits.* K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.



CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 2 - Deposits and Investments (Continued)

*Investments.* 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. As of December 31, 2019, the City held no such investments.

*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.

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

At December 31, 2019, the City's carrying amount of deposits was \$13,083,107 and the bank balance was \$13,703,641. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$296,919 was covered by federal depository insurance and \$13,406,722 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 3 – Retirement Plan

*Plan Description.* The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. KPERs' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERs website at [www.kpers.org](http://www.kpers.org) 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 \$179,421 for the year ended December 31, 2019.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 3 – Retirement Plan (Continued)

*Net Pension Liability.* At December 31, 2019, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,300,674. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE 4 – Long-Term Debt

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

|                          | <u>Beginning<br/>Principal<br/>Outstanding</u> | <u>Additions<br/>to<br/>Principal</u> | <u>Subtractions<br/>from<br/>Principal</u> | <u>Ending<br/>Principal<br/>Outstanding</u> | <u>Interest<br/>Paid</u> |
|--------------------------|--|---------------------------------------|--|---|--------------------------|
| Paid by taxes            |  |                                       |  |   |                          |
| General Obligation Bonds | \$ 4,770,000                                   | \$ -                                  | \$ 595,000                                 | \$ 4,175,000                                | \$ 112,607               |
| Revolving Loan           | -  | 1,410,797                             | -  | 1,410,797                                   | -                        |
| Capital Leases           | <u>369,489</u>                                 | <u>250,000</u>                        | <u>123,591</u>                             | <u>495,898</u>                              | <u>13,478</u>            |
| <br>Totals               | <br><u>\$ 5,139,489</u>                        | <br><u>\$ 1,660,797</u>               | <br><u>\$ 718,591</u>                      | <br><u>\$ 6,081,695</u>                     | <br><u>\$ 126,085</u>    |

*General Obligation Bonds.* Following is a detailed listing of the City's outstanding general obligation debt:

| <u>Description</u> | <u>Interest<br/>Rate</u> | <u>Original<br/>Amount</u> | <u>Amount<br/>Outstanding at<br/>December 31, 2018</u> | <u>Date of<br/>Issue</u> | <u>Final<br/>Maturity</u> |
|--------------------|--------------------------|----------------------------|--|--------------------------|---------------------------|
| Paid by taxes      |                          |                            |  |                          |                           |
| G.O. Bonds issued: |                          |                            |  |                          |                           |
| Series 2013-A      | 2.00 - 2.25%             | \$5,560,000                | \$ 2,260,000   | 1/10/2013                | 9/1/2026                  |
| Series 2017-A      | 2.00 - 3.50%             | 2,000,000                  | <u>1,915,000</u>                                       | 3/28/2017                | 9/1/2036                  |
|                    |                          |                            | <br><u>\$ 4,175,000</u>                                |                          |                           |

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 4 – Long-Term Debt (Continued)

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

| Year Ending<br>December 31,  |                     |
|------------------------------|---------------------|
| 2020                         | \$ 605,708          |
| 2021                         | 600,607             |
| 2022                         | 605,408             |
| 2023                         | 404,907             |
| 2024                         | 408,208             |
| 2025-2029                    | 1,264,788           |
| 2030-2034                    | 743,017             |
| 2035-2036                    | 289,525             |
| Total Principal and Interest | 4,922,168           |
| Less: Interest               | 747,168             |
| Total Principal              | <u>\$ 4,175,000</u> |

*Capital Leases.* On November 18, 2015, the City entered into a capital lease agreement in the amount of \$630,000 for financing the acquisition of a 2015 Pierce Aerial Fire Truck. The lease agreement carries an interest rate of 2.10% and the final payment is due September 30, 2022.

On February 6, 2019, the City entered into a capital lease agreement in the amount of \$250,000 for financing the acquisition of a 2019 pumper truck for the fire department. The lease agreement carries an interest rate of 3.25% and the final payment is due November 30, 2025.

Annual lease payment requirements to maturity for the capital lease is as follows:

| Year Ending<br>December 31,  |                   |
|------------------------------|-------------------|
| 2020                         | 137,070           |
| 2021                         | 137,070           |
| 2022                         | 136,203           |
| 2023                         | 39,988            |
| 2024                         | 39,988            |
| 2025                         | 39,988            |
| Total Principal and Interest | 530,306           |
| Less: Interest               | 34,408            |
| Total Principal              | <u>\$ 495,898</u> |

*Revolving Loans.* On May 6, 2019, the City entered into an agreement with the Kansas Department of Health and Environment for a Water Pollution Control Loan up to the amount of \$12,608,000 with an interest rate of 2.08% and a service fee rate of .25%. As of December 31, 2019, the City has drawn \$1,410,797 on the loan. An amortization schedule for the loan is not yet available since the loan has not been finalized. The purpose of the loan is to fund the replacement of two aerated lagoon wastewater treatment systems with an expanded pumping station, new force main, and new wastewater treatment facility.

NOTE 5 – Customer Deposits

Customer deposits payable, in the amount of \$39,992 and \$20,626, are reported as outstanding encumbrances in the Natural Gas and Water Funds, respectively.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 6 – Interfund Transfers

Operating transfers were as follows:

| From                  | To                              | Amount              | Regulatory Authority |
|-----------------------|---------------------------------|---------------------|----------------------|
| General               | Special Street                  | \$ 425,000          | K.S.A. 12-1,118      |
| Natural Gas           | Bond and Interest               | 120,000             | K.S.A. 12-825d       |
| Natural Gas           | Natural Gas Capital Improvement | 500,000             | K.S.A. 12-825d       |
| Wastewater            | Bond and Interest               | 70,000              | K.S.A. 12-825d       |
| Wastewater            | Wastewater Capital Improvement  | 900,000             | K.S.A. 12-825d       |
| Water Utility Surplus | Water Capital Improvement       | 30,000              | K.S.A. 12-1,118      |
| Water                 | Water Capital Improvement       | 100,000             | K.S.A. 12-825d       |
|                       | Total                           | <u>\$ 2,145,000</u> |                      |

NOTE 7 – Compensated Absences

Full-time employees earn one working day of sick leave each full month of service. Upon termination, an employee in good standing shall be compensated for sick leave as follows:

- 5 years of service - 15% of accumulated leave
- 10 years of service - 25% of accumulated leave
- 15 years of service - 50% of accumulated leave
- 20 years of service - 75% of accumulated leave
- 25 years of service - 100% of accumulated leave

Upon termination, an employee shall be compensated for all accumulated sick leave at their final rate of pay, up to 720 hours. The total accrued sick leave liability at December 31, 2019 was \$35,576.

Full-time employees accrue vacation leave at the rate of four hours per each full calendar month of employment, provided that the total accrued days shall not exceed twenty hours each six months. The employee shall not accumulate more than 160 hours of vacation beyond the last day of the calendar year. Upon termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay. The total accrued vacation leave liability at December 31, 2019 was \$68,295.

Full-time employees can accrue compensatory time instead of overtime pay, up to a 60-hour maximum. Upon termination, an employee shall be compensated for all earned but unused compensatory time at their final rate of pay. The total accrued compensatory leave liability at December 31, 2019 was \$3,422.

NOTE 8 – Contractual Obligations

In June 2005, the Marais Des Cygnes Public Utility Authority (the Authority) was created by an interlocal agreement between the Cities of Louisburg and Paola, Kansas. The Authority was established to construct and operate a public water supply utility to serve each of the cities.

On September 1, 2007, the City of Louisburg (the City) entered into a water supply service agreement with the Authority. The payments required under the agreement are payable solely from the regulatory receipts of the City's water utility system, which are pledged to pay the obligations under the agreement. The City's obligations under the agreement are payable whether or not water service is actually received from the Authority. Under the agreement, the City has covenanted to charge rates sufficient to allow regulatory receipts of its water utility system, net of operating and maintenance expenses of such water utility system, to cover its respective share of debt service due on the Series 2007 Bonds (the "Water Base Charge" specified in the agreement) by 125%.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 8 – Contractual Obligations (Continued)

In November 2007, the Authority issued \$33,000,000 of water facilities revenue bonds to provide funds to acquire, construct, and equip a water supply system.

On June 10, 2015, the Authority issued Series 2015 Refunding Revenue Bonds in the amount of \$15,380,000, with an interest rate of 4.125%. The bond proceeds will be used to partially refund the Series 2007 Water Facilities Revenue Bonds.

On March 30, 2016, the Authority issued Series 2016 Refunding Revenue Bonds in the amount of \$9,950,000, with an interest rate ranging from 2.00% to 3.125%. The bond proceeds will be used to partially refund another portion of the Series 2007 Water Facilities Revenue Bonds.

On May 3, 2017, the Authority issued Series 2017 Refunding Revenue Bonds in the amount of \$9,800,000, with an interest rate ranging from 3.00% to 3.625%. The bond proceeds will be used to partially refund another portion of the Series 2007 Water Facilities Revenue Bonds.

The Authority's debt service requirements with respect to the Series 2007 Bonds, the Series 2015 Bonds, the Series 2016 bonds and the Series 2017 Bonds are as follows:

| Year Ending<br><u>December 31,</u> |                            |
|------------------------------------|----------------------------|
| 2020                               | \$ 1,716,988               |
| 2021                               | 1,753,738                  |
| 2022                               | 1,784,038                  |
| 2023                               | 1,767,988                  |
| 2024                               | 1,816,188                  |
| 2025-2029                          | 9,703,688                  |
| 2030-2034                          | 10,693,031                 |
| 2035-2039                          | 13,103,988                 |
| 2040-2043                          | <u>13,743,600</u>          |
| Total Principal and Interest       | 56,083,244                 |
| Less: Interest                     | <u>21,798,244</u>          |
| Total Principal                    | <u><u>\$34,285,000</u></u> |

The agreement will remain in force until the last day of the year in which all bonds and the interest have been paid in full.

NOTE 9 – Commitments and Contingencies

The City receives significant financial assistance from numerous deferral and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the City as of December 31, 2019.

NOTE 10 – 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; natural disasters and other events for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

CITY OF LOUISBURG, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2019

NOTE 11 – Other Long-Term Obligations from Operations

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

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

*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.

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

|                                 | <u>Certified<br/>Budget</u> | <u>Adjustment for<br/>Qualifying<br/>Budget Credits</u> | <u>Total<br/>Budget for<br/>Comparison</u> | <u>Expenditures<br/>Chargeable to<br/>Current Year</u> | <u>Variance<br/>Over<br/>[Under]</u> |
|---------------------------------|-----------------------------|---|--|--|--------------------------------------|
| Governmental Type Funds:        |                             |   |  |  |                                      |
| General Funds:                  |                             |   |  |  |                                      |
| General                         | \$ 4,909,331                | \$ -  | \$ 4,909,331                               | \$ 3,296,890   | \$ 1,612,441                         |
| Special Purpose Funds:          |                             |   |  |  |                                      |
| Special Street Fund             | 1,555,000                   | -   | 1,555,000                                  | 626,295  | 928,705                              |
| Excise Tax Fund                 | 30,978                      | -   | 30,978                                     | -  | 30,978                               |
| Cops for Kids Fund              | 3,000                       | -   | 3,000                                      | 514  | 2,486                                |
| Aquatic Center Operations Fund  | 1,197,972                   | -   | 1,197,972                                  | 149,812  | 1,048,160                            |
| Lewis Young Park Donations Fund | 65,740                      | -   | 65,740                                     | -  | 65,740                               |
| Lewis Young Park Lighting Fund  | 55,009                      | -   | 55,009                                     | -  | 55,009                               |
| Infrastructure Improvement Fund | 274,005                     | -   | 274,005                                    | 214,243  | 59,762                               |
| Cemetery Commission Fund        | 70,000                      | -   | 70,000                                     | -  | 70,000                               |
| Fox Hall Commission Fund        | 39,800                      | -   | 39,800                                     | 6,449  | 33,351                               |
| Bond and Interest Funds:        |                             |   |  |  |                                      |
| Bond and Interest Fund          | 957,607                     | -   | 957,607                                    | 707,608  | 249,999                              |
| Business Funds:                 |                             |   |  |  |                                      |
| Stormwater Fund                 | 500,000                     | -   | 500,000                                    | 92,718   | 407,282                              |
| Natural Gas Fund                | 1,746,500                   | -   | 1,746,500                                  | 1,631,999  | 114,501                              |
| Water Fund                      | 1,745,800                   | -   | 1,745,800                                  | 1,565,506  | 180,294                              |
| Wastewater Fund                 | 1,574,250                   | -   | 1,574,250                                  | 1,501,157  | 73,093                               |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year        |                     | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|---------------------|---------------------|-----------------------------|
|                                    |                                | <u>Actual</u>       | <u>Budget</u>       |                             |
| Receipts                           |                                |                     |                     |                             |
| Taxes                              | \$ 1,245,457                   | \$ 1,191,881        | \$ 1,203,049        | \$ [11,168]                 |
| Intergovernmental                  | 1,083,562                      | 1,090,325           | 1,039,785           | 50,540                      |
| Licenses and permits               | 297,378                        | 97,643              | 237,000             | [139,357]                   |
| Fines and fees                     | 46,886                         | 90,643              | 65,000              | 25,643                      |
| Use of money and property          | 47,224                         | 41,074              | 24,000              | 17,074                      |
| Miscellaneous                      | <u>156,589</u>                 | <u>524,317</u>      | <u>107,000</u>      | <u>417,317</u>              |
| Total Receipts                     | <u>2,877,096</u>               | <u>3,035,883</u>    | <u>\$ 2,675,834</u> | <u>\$ 360,049</u>           |
| Expenditures                       |                                |                     |                     |                             |
| General government                 | 343,078                        | 480,546             | \$ 336,944          | \$ [143,602]                |
| Public safety                      | 1,372,641                      | 1,805,168           | 1,420,853           | [384,315]                   |
| Building and zoning                | 36,978                         | 42,831              | 65,316              | 22,485                      |
| Parks and recreation               | 199,939                        | 231,339             | 229,566             | [1,773]                     |
| Public works                       | 196,625                        | 204,791             | 305,908             | 101,117                     |
| Special events                     | -                              | 6,032               | 6,500               | 468                         |
| Municipal court                    | 58,648                         | 49,716              | 60,338              | 10,622                      |
| Building inspection                | 52,861                         | 51,467              | 58,906              | 7,439                       |
| Transfer out                       | 425,000                        | 425,000             | 425,000             | -                           |
| Cash balance reserve               | -                              | -                   | 2,000,000           | 2,000,000                   |
| Total Expenditures                 | <u>2,685,770</u>               | <u>3,296,890</u>    | <u>\$ 4,909,331</u> | <u>\$ 1,612,441</u>         |
| Receipts Over [Under] Expenditures | 191,326                        | [261,007]           |                     |                             |
| Unencumbered Cash, Beginning       | <u>2,175,468</u>               | <u>2,366,794</u>    |                     |                             |
| Unencumbered Cash, Ending          | <u>\$ 2,366,794</u>            | <u>\$ 2,105,787</u> |                     |                             |

See independent auditor's report on the financial statements.



CITY OF LOUISBURG, KANSAS  
Special Street Fund  
Schedule of Receipts and Expenditures - Actual\*  
Regulatory Basis  
For the Year Ended December 31, 2019  
(With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br>Actual | Current Year        |                     | Variance<br>Over<br>[Under] |
|------------------------------------|-------------------------|---------------------|---------------------|-----------------------------|
|                                    |                         | Actual              | Budget              |                             |
| Receipts                           |                         |                     |                     |                             |
| Intergovernmental                  | \$ 364,509              | \$ 123,196          | \$ 115,120          | \$ 8,076                    |
| Use of money and property          | 15,756                  | 12,896              | 14,800              | [1,904]                     |
| Reimbursed expenses                | 2,000                   | -                   | -                   | -                           |
| Transfer in                        | 425,000                 | 425,000             | 425,000             | -                           |
| Total Receipts                     | <u>807,265</u>          | <u>561,092</u>      | <u>\$ 554,920</u>   | <u>\$ 6,172</u>             |
| Expenditures                       |                         |                     |                     |                             |
| Highways and streets               | <u>1,682,390</u>        | <u>626,295</u>      | <u>\$ 1,555,000</u> | <u>\$ 928,705</u>           |
| Total Expenditures                 | <u>1,682,390</u>        | <u>626,295</u>      | <u>\$ 1,555,000</u> | <u>\$ 928,705</u>           |
| Receipts Over [Under] Expenditures | [875,125]               | [65,203]            |                     |                             |
| Unencumbered Cash, Beginning       | <u>1,983,466</u>        | <u>1,108,341</u>    |                     |                             |
| Unencumbered Cash, Ending          | <u>\$ 1,108,341</u>     | <u>\$ 1,043,138</u> |                     |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Excise Tax Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | <u>Current Year</u> |                  | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|---------------------|------------------|-----------------------------|
|                                    |                                | <u>Actual</u>       | <u>Budget</u>    |                             |
| Receipts                           |                                |                     |                  |                             |
| Taxes                              | \$ -                           | \$ 25,307           | \$ -             | \$ 25,307                   |
| Use of money and property          | 544                            | 309                 | 250              | 59                          |
| Miscellaneous                      | -                              | -                   | 1,500            | [1,500]                     |
| Total Receipts                     | <u>544</u>                     | <u>25,616</u>       | <u>\$ 1,750</u>  | <u>\$ 23,866</u>            |
| Expenditures                       |                                |                     |                  |                             |
| Transfer out                       | -                              | -                   | \$ 30,978        | \$ 30,978                   |
| Total Expenditures                 | <u>-</u>                       | <u>-</u>            | <u>\$ 30,978</u> | <u>\$ 30,978</u>            |
| Receipts Over [Under] Expenditures | 544                            | 25,616              |                  |                             |
| Unencumbered Cash, Beginning       | <u>28,978</u>                  | <u>29,522</u>       |                  |                             |
| Unencumbered Cash, Ending          | <u>\$ 29,522</u>               | <u>\$ 55,138</u>    |                  |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Cops for Kids Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year    |                 | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|-----------------|-----------------|-----------------------------|
|                                    |                                | <u>Actual</u>   | <u>Budget</u>   |                             |
| Receipts                           |                                |                 |                 |                             |
| Intergovernmental                  | \$ 754                         | \$ 900          | \$ 400          | \$ 500                      |
| Donations                          | 455                            | 322             | 250             | 72                          |
| Use of money and property          | 49                             | 68              | 45              | 23                          |
| Total Receipts                     | <u>1,258</u>                   | <u>1,290</u>    | <u>\$ 695</u>   | <u>\$ 595</u>               |
| Expenditures                       |                                |                 |                 |                             |
| Public safety                      | 417                            | 514             | \$ 3,000        | \$ 2,486                    |
| Total Expenditures                 | <u>417</u>                     | <u>514</u>      | <u>\$ 3,000</u> | <u>\$ 2,486</u>             |
| Receipts Over [Under] Expenditures | 841                            | 776             |                 |                             |
| Unencumbered Cash, Beginning       | <u>5,778</u>                   | <u>6,619</u>    |                 |                             |
| Unencumbered Cash, Ending          | <u>\$ 6,619</u>                | <u>\$ 7,395</u> |                 |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Aquatic Center Operations Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year        |                     | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|---------------------|---------------------|-----------------------------|
|                                    |                                | <u>Actual</u>       | <u>Budget</u>       |                             |
| Receipts                           |                                |                     |                     |                             |
| Charges for services               | \$ 80,150                      | \$ 80,548           | \$ 75,000           | \$ 5,548                    |
| Intergovernmental                  | 467,915                        | 452,999             | 459,000             | [6,001]                     |
| Miscellaneous                      | 170                            | 101                 | -                   | 101                         |
| Use of money and property          | <u>10,761</u>                  | <u>19,224</u>       | <u>7,600</u>        | <u>11,624</u>               |
| Total Receipts                     | <u>558,996</u>                 | <u>552,872</u>      | <u>\$ 541,600</u>   | <u>\$ 11,272</u>            |
| Expenditures                       |                                |                     |                     |                             |
| Culture and recreation             | 262,324                        | 149,812             | \$ 1,197,972        | \$ 1,048,160                |
| Transfer out                       | <u>21,000</u>                  | <u>-</u>            | <u>-</u>            | <u>-</u>                    |
| Total Expenditures                 | <u>283,324</u>                 | <u>149,812</u>      | <u>\$ 1,197,972</u> | <u>\$ 1,048,160</u>         |
| Receipts Over [Under] Expenditures | 275,672                        | 403,060             |                     |                             |
| Unencumbered Cash, Beginning       | <u>1,581,204</u>               | <u>1,856,876</u>    |                     |                             |
| Unencumbered Cash, Ending          | <u>\$ 1,856,876</u>            | <u>\$ 2,259,936</u> |                     |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Lewis Young Park Donations Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year     |                  | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|------------------|------------------|-----------------------------|
|                                    |                                | <u>Actual</u>    | <u>Budget</u>    |                             |
| Receipts                           |                                |                  |                  |                             |
| Intergovernmental                  | \$ 12,577                      | \$ 13,441        | \$ 11,000        | \$ 2,441                    |
| Miscellaneous                      | -                              | 18,695           | -                | 18,695                      |
| Use of money and property          | 632                            | 629              | -                | 629                         |
| Total Receipts                     | <u>13,209</u>                  | <u>32,765</u>    | <u>\$ 11,000</u> | <u>\$ 21,765</u>            |
| Expenditures                       |                                |                  |                  |                             |
| Culture and recreation             | 23,999                         | -                | \$ 65,740        | \$ 65,740                   |
| Total Expenditures                 | <u>23,999</u>                  | <u>-</u>         | <u>\$ 65,740</u> | <u>\$ 65,740</u>            |
| Receipts Over [Under] Expenditures | [10,790]                       | 32,765           |                  |                             |
| Unencumbered Cash, Beginning       | <u>68,140</u>                  | <u>57,350</u>    |                  |                             |
| Unencumbered Cash, Ending          | <u>\$ 57,350</u>               | <u>\$ 90,115</u> |                  |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Lewis Young Park Lighting Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year     |                  | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|------------------|------------------|-----------------------------|
|                                    |                                | <u>Actual</u>    | <u>Budget</u>    |                             |
| Receipts                           |                                |                  |                  |                             |
| Use of money and property          | \$ 450                         | \$ 549           | \$ 1,500         | \$ [951]                    |
| Total Receipts                     | <u>450</u>                     | <u>549</u>       | <u>\$ 1,500</u>  | <u>\$ [951]</u>             |
| Expenditures                       |                                |                  |                  |                             |
| Culture and recreation             | -                              | -                | \$ 55,009        | \$ 55,009                   |
| Total Expenditures                 | <u>-</u>                       | <u>-</u>         | <u>\$ 55,009</u> | <u>\$ 55,009</u>            |
| Receipts Over [Under] Expenditures | 450                            | 549              |                  |                             |
| Unencumbered Cash, Beginning       | <u>52,009</u>                  | <u>52,459</u>    |                  |                             |
| Unencumbered Cash, Ending          | <u>\$ 52,459</u>               | <u>\$ 53,008</u> |                  |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Infrastructure Improvement Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br>Actual | Current Year     |                   | Variance<br>Over<br>[Under] |
|------------------------------------|-------------------------|------------------|-------------------|-----------------------------|
|                                    |                         | Actual           | Budget            |                             |
| Receipts                           |                         |                  |                   |                             |
| Intergovernmental                  | \$ 233,958              | \$ 280,428       | \$ 230,856        | \$ 49,572                   |
| Use of money and property          | 4,216                   | 1,775            | 6,500             | [4,725]                     |
| Total Receipts                     | <u>238,174</u>          | <u>282,203</u>   | <u>\$ 237,356</u> | <u>\$ 44,847</u>            |
| Expenditures                       |                         |                  |                   |                             |
| Capital outlay                     | 274,678                 | 214,243          | \$ 274,005        | \$ 59,762                   |
| Transfer out                       | 303,000                 | -                | -                 | -                           |
| Total Expenditures                 | <u>577,678</u>          | <u>214,243</u>   | <u>\$ 274,005</u> | <u>\$ 59,762</u>            |
| Receipts Over [Under] Expenditures | [339,504]               | 67,960           |                   |                             |
| Unencumbered Cash, Beginning       | <u>356,820</u>          | <u>17,316</u>    |                   |                             |
| Unencumbered Cash, Ending          | <u>\$ 17,316</u>        | <u>\$ 85,276</u> |                   |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Freedom Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2019 and 2018

|  | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|--|--------------------------------|----------------------------------|
| Receipts                               |                                |                                  |
| Donations                              | \$ 5,853                       | \$ 5,465                         |
| Interest income                        | <u>82</u>                      | <u>109</u>                       |
| Total Receipts                         | <u>5,935</u>                   | <u>5,574</u>                     |
| <br>Expenditures                       |                                |                                  |
| Culture and recreation                 | <u>5,705</u>                   | <u>5,798</u>                     |
| Total Expenditures                     | <u>5,705</u>                   | <u>5,798</u>                     |
| <br>Receipts Over [Under] Expenditures | <br>230                        | <br>[224]                        |
| <br>Unencumbered Cash, Beginning       | <br><u>15,685</u>              | <br><u>15,915</u>                |
| <br>Unencumbered Cash, Ending          | <br><u>\$ 15,915</u>           | <br><u>\$ 15,691</u>             |

\* - This fund is not required to be budgeted.



CITY OF LOUISBURG, KANSAS  
 Cemetery Commission Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year      |                  | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|-------------------|------------------|-----------------------------|
|                                    |                                | <u>Actual</u>     | <u>Budget</u>    |                             |
| Receipts                           |                                |                   |                  |                             |
| Charges for services               | \$ 21,700                      | \$ 18,600         | \$ 16,000        | \$ 2,600                    |
| Donations                          | -                              | -                 | 400              | [400]                       |
| Use of money and property          | 615                            | 998               | -                | 998                         |
| Total Receipts                     | <u>22,315</u>                  | <u>19,598</u>     | <u>\$ 16,400</u> | <u>\$ 3,198</u>             |
| Expenditures                       |                                |                   |                  |                             |
| General government                 | <u>19,152</u>                  | -                 | <u>\$ 70,000</u> | <u>\$ 70,000</u>            |
| Total Expenditures                 | <u>19,152</u>                  | -                 | <u>\$ 70,000</u> | <u>\$ 70,000</u>            |
| Receipts Over [Under] Expenditures | 3,163                          | 19,598            |                  |                             |
| Unencumbered Cash, Beginning       | <u>95,137</u>                  | <u>98,300</u>     |                  |                             |
| Unencumbered Cash, Ending          | <u>\$ 98,300</u>               | <u>\$ 117,898</u> |                  |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Fox Hall Commission Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year     |                  | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|------------------|------------------|-----------------------------|
|                                    |                                | <u>Actual</u>    | <u>Budget</u>    |                             |
| Receipts                           |                                |                  |                  |                             |
| Rents                              | \$ 6,645                       | \$ 5,095         | \$ 7,000         | \$ [1,905]                  |
| Use of money and property          | 105                            | 130              | 110              | 20                          |
| Donations                          | 100                            | 30               | 400              | [370]                       |
| Total Receipts                     | <u>6,850</u>                   | <u>5,255</u>     | <u>\$ 7,510</u>  | <u>\$ [2,255]</u>           |
| Expenditures                       |                                |                  |                  |                             |
| Culture and recreation             | <u>6,657</u>                   | <u>6,449</u>     | <u>\$ 39,800</u> | <u>\$ 33,351</u>            |
| Total Expenditures                 | <u>6,657</u>                   | <u>6,449</u>     | <u>\$ 39,800</u> | <u>\$ 33,351</u>            |
| Receipts Over [Under] Expenditures | 193                            | [1,194]          |                  |                             |
| Unencumbered Cash, Beginning       | <u>40,020</u>                  | <u>40,213</u>    |                  |                             |
| Unencumbered Cash, Ending          | <u>\$ 40,213</u>               | <u>\$ 39,019</u> |                  |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Bond and Interest Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year      |                   | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|-------------------|-------------------|-----------------------------|
|                                    |                                | <u>Actual</u>     | <u>Budget</u>     |                             |
| Receipts                           |                                |                   |                   |                             |
| Taxes                              | \$ 531,112                     | \$ 628,590        | \$ 587,321        | \$ 41,269                   |
| Use of money and property          | 11,466                         | 8,008             | 9,200             | [1,192]                     |
| Transfer in                        | 514,000                        | 190,000           | 190,000           | -                           |
| Total Receipts                     | <u>1,056,578</u>               | <u>826,598</u>    | <u>\$ 786,521</u> | <u>\$ 40,077</u>            |
| Expenditures                       |                                |                   |                   |                             |
| Principal                          | 865,000                        | 595,000           | \$ 595,000        | \$ -                        |
| Interest                           | 129,909                        | 112,608           | 112,607           | [1]                         |
| Cash basis reserve                 | -                              | -                 | 250,000           | 250,000                     |
| Total Expenditures                 | <u>994,909</u>                 | <u>707,608</u>    | <u>\$ 957,607</u> | <u>\$ 249,999</u>           |
| Receipts Over [Under] Expenditures | 61,669                         | 118,990           |                   |                             |
| Unencumbered Cash, Beginning       | <u>167,079</u>                 | <u>228,748</u>    |                   |                             |
| Unencumbered Cash, Ending          | <u>\$ 228,748</u>              | <u>\$ 347,738</u> |                   |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Stormwater Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2019  
 (With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br>Actual | Current Year      |                   | Variance<br>Over<br>[Under] |
|------------------------------------|-------------------------|-------------------|-------------------|-----------------------------|
|                                    |                         | Actual            | Budget            |                             |
| Receipts                           |                         |                   |                   |                             |
| Charges for services               | \$ 88,567               | \$ 90,677         | \$ 88,000         | \$ 2,677                    |
| Use of money and property          | 5,928                   | 7,141             | 2,800             | 4,341                       |
| Total Receipts                     | <u>94,495</u>           | <u>97,818</u>     | <u>\$ 90,800</u>  | <u>\$ 7,018</u>             |
| Expenditures                       |                         |                   |                   |                             |
| Operations                         | 71,302                  | 85,344            | \$ -              | \$ [85,344]                 |
| Capital outlay                     | -                       | 7,374             | 500,000           | 492,626                     |
| Total Expenditures                 | <u>71,302</u>           | <u>92,718</u>     | <u>\$ 500,000</u> | <u>\$ 407,282</u>           |
| Receipts Over [Under] Expenditures | 23,193                  | 5,100             |                   |                             |
| Unencumbered Cash, Beginning       | <u>674,067</u>          | <u>697,260</u>    |                   |                             |
| Unencumbered Cash, Ending          | <u>\$ 697,260</u>       | <u>\$ 702,360</u> |                   |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
Natural Gas Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019  
(With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year      |                     | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|-------------------|---------------------|-----------------------------|
|                                    |                                | <u>Actual</u>     | <u>Budget</u>       |                             |
| Receipts                           |                                |                   |                     |                             |
| Charges to customers               | \$ 1,241,764                   | \$ 1,361,885      | \$ 1,100,000        | \$ 261,885                  |
| Use of money and property          | 15,600                         | 18,502            | 17,000              | 1,502                       |
| Miscellaneous                      | -                              | 517               | -                   | 517                         |
| Total Receipts                     | <u>1,257,364</u>               | <u>1,380,904</u>  | <u>\$ 1,117,000</u> | <u>\$ 263,904</u>           |
| Expenditures                       |                                |                   |                     |                             |
| Salaries                           | 362,577                        | 383,348           | \$ 351,500          | \$ [31,848]                 |
| Contractual                        | 81,804                         | 101,275           | 100,000             | [1,275]                     |
| Commodities                        | 520,503                        | 446,431           | 575,000             | 128,569                     |
| Capital outlay                     | 86,535                         | 80,945            | 100,000             | 19,055                      |
| Transfer out                       | 520,000                        | 620,000           | 620,000             | -                           |
| Total Expenditures                 | <u>1,571,419</u>               | <u>1,631,999</u>  | <u>\$ 1,746,500</u> | <u>\$ 114,501</u>           |
| Receipts Over [Under] Expenditures | [314,055]                      | [251,095]         |                     |                             |
| Unencumbered Cash, Beginning       | <u>1,519,813</u>               | <u>1,205,758</u>  |                     |                             |
| Unencumbered Cash, Ending          | <u>\$ 1,205,758</u>            | <u>\$ 954,663</u> |                     |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Natural Gas Capital Improvement Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2019 and 2018

|  | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|--|--------------------------------|----------------------------------|
| Receipts                               |                                |                                  |
| Transfers In                           | \$ 400,000                     | \$ 500,000                       |
| Use of money and property              | <u>5,636</u>                   | <u>11,334</u>                    |
| Total Receipts                         | <u>405,636</u>                 | <u>511,334</u>                   |
| <br>Expenditures                       |                                |                                  |
| Capital outlay                         | <u>9,420</u>                   | <u>93,650</u>                    |
| Total Expenditures                     | <u>9,420</u>                   | <u>93,650</u>                    |
| <br>Receipts Over [Under] Expenditures | <br>396,216                    | <br>417,684                      |
| <br>Unencumbered Cash, Beginning       | <br><u>802,328</u>             | <br><u>1,198,544</u>             |
| <br>Unencumbered Cash, Ending          | <br><u>\$ 1,198,544</u>        | <br><u>\$ 1,616,228</u>          |

\* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS  
Water Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019  
(With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year      |                     | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|-------------------|---------------------|-----------------------------|
|                                    |                                | <u>Actual</u>     | <u>Budget</u>       |                             |
| Receipts                           |                                |                   |                     |                             |
| Charges to customers               | \$ 1,484,268                   | \$ 1,440,554      | \$ 1,500,000        | \$ [59,446]                 |
| Use of money and property          | 33,877                         | 35,302            | 28,000              | 7,302                       |
| Miscellaneous                      | 7,063                          | 4,194             | -                   | 4,194                       |
| Total Receipts                     | <u>1,525,208</u>               | <u>1,480,050</u>  | <u>\$ 1,528,000</u> | <u>\$ [47,950]</u>          |
| Expenditures                       |                                |                   |                     |                             |
| Salaries                           | 115,536                        | 134,735           | \$ 105,000          | \$ [29,735]                 |
| Contractual                        | 1,330,021                      | 1,225,776         | 1,400,000           | 174,224                     |
| Commodities                        | 20,388                         | 20,555            | 40,800              | 20,245                      |
| Capital outlay                     | 50,653                         | 84,440            | 100,000             | 15,560                      |
| Transfer out                       | 200,000                        | 100,000           | 100,000             | -                           |
| Total Expenditures                 | <u>1,716,598</u>               | <u>1,565,506</u>  | <u>\$ 1,745,800</u> | <u>\$ 180,294</u>           |
| Receipts Over [Under] Expenditures | [191,390]                      | [85,456]          |                     |                             |
| Unencumbered Cash, Beginning       | <u>424,650</u>                 | <u>233,260</u>    |                     |                             |
| Unencumbered Cash, Ending          | <u>\$ 233,260</u>              | <u>\$ 147,804</u> |                     |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
 Water Capital Improvement Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2019 and 2018

|  | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|--|--------------------------------|----------------------------------|
| Receipts                               |                                |                                  |
| Transfers in                           | \$ 272,466                     | \$ 130,000                       |
| Use of money and property              | <u>1,288</u>                   | <u>465</u>                       |
| Total Receipts                         | <u>273,754</u>                 | <u>130,465</u>                   |
| <br>Expenditures                       |                                |                                  |
| Capital outlay                         | <u>203,228</u>                 | <u>232,263</u>                   |
| Total Expenditures                     | <u>203,228</u>                 | <u>232,263</u>                   |
| <br>Receipts Over [Under] Expenditures | <br>70,526                     | <br>[101,798]                    |
| <br>Unencumbered Cash, Beginning       | <br><u>35,168</u>              | <br><u>105,694</u>               |
| <br>Unencumbered Cash, Ending          | <br><u>\$ 105,694</u>          | <br><u>\$ 3,896</u>              |

\* - This fund is not required to be budgeted.



CITY OF LOUISBURG, KANSAS  
 Water Utility Surplus Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2019 and 2018

|                                    | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|------------------------------------|--------------------------------|----------------------------------|
| Receipts                           |                                |                                  |
| Use of money and property          | \$ 6,725                       | \$ 8,243                         |
| Transfers in                       | <u>100,000</u>                 | <u>-</u>                         |
| Total Receipts                     | <u>106,725</u>                 | <u>8,243</u>                     |
| Expenditures                       |                                |                                  |
| Transfers out                      | <u>172,466</u>                 | <u>30,000</u>                    |
| Total Expenditures                 | <u>172,466</u>                 | <u>30,000</u>                    |
| Receipts Over [Under] Expenditures | [65,741]                       | [21,757]                         |
| Unencumbered Cash, Beginning       | <u>864,964</u>                 | <u>799,223</u>                   |
| Unencumbered Cash, Ending          | <u>\$ 799,223</u>              | <u>\$ 777,466</u>                |

\* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS  
Wastewater Fund  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2019  
(With Comparative Actual Amounts For the Year Ended December 31, 2018)

|                                    | Prior<br>Year<br><u>Actual</u> | Current Year     |                     | Variance<br>Over<br>[Under] |
|------------------------------------|--------------------------------|------------------|---------------------|-----------------------------|
|                                    |                                | <u>Actual</u>    | <u>Budget</u>       |                             |
| Receipts                           |                                |                  |                     |                             |
| Charges to customers               | \$ 1,243,396                   | \$ 1,297,101     | \$ 1,300,000        | \$ [2,899]                  |
| Use of money and property          | <u>5,439</u>                   | <u>6,339</u>     | <u>2,500</u>        | <u>3,839</u>                |
| Total Receipts                     | <u>1,248,835</u>               | <u>1,303,440</u> | <u>\$ 1,302,500</u> | <u>\$ 940</u>               |
| Expenditures                       |                                |                  |                     |                             |
| Salaries                           | 290,747                        | 325,312          | \$ 265,750          | \$ [59,562]                 |
| Contractual                        | 114,692                        | 137,315          | 125,000             | [12,315]                    |
| Commodities                        | 13,250                         | 14,296           | 13,500              | [796]                       |
| Capital outlay                     | 73,622                         | 54,234           | 100,000             | 45,766                      |
| Transfer out                       | <u>970,000</u>                 | <u>970,000</u>   | <u>1,070,000</u>    | <u>100,000</u>              |
| Total Expenditures                 | <u>1,462,311</u>               | <u>1,501,157</u> | <u>\$ 1,574,250</u> | <u>\$ 73,093</u>            |
| Receipts Over [Under] Expenditures | [213,476]                      | [197,717]        |                     |                             |
| Unencumbered Cash, Beginning       | <u>485,428</u>                 | <u>271,952</u>   |                     |                             |
| Unencumbered Cash, Ending          | <u>\$ 271,952</u>              | <u>\$ 74,235</u> |                     |                             |

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS  
Wastewater Capital Improvement Fund  
Schedule of Receipts and Expenditures - Actual\*  
Regulatory Basis  
For the Year Ended December 31, 2019 and 2018

|                                    | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|------------------------------------|--------------------------------|----------------------------------|
| Receipts                           |                                |                                  |
| Special assessments                | \$ 192,946                     | \$ -                             |
| Use of money and property          | 11,815                         | 17,896                           |
| Transfers In                       | 900,000                        | 900,000                          |
| Proceeds                           | <u>-</u>                       | <u>1,410,797</u>                 |
| Total Receipts                     | <u>1,104,761</u>               | <u>2,328,693</u>                 |
| Expenditures                       |                                |                                  |
| Capital outlay                     | <u>532,650</u>                 | <u>2,489,568</u>                 |
| Total Expenditures                 | <u>532,650</u>                 | <u>2,489,568</u>                 |
| Receipts Over [Under] Expenditures | 572,111                        | [160,875]                        |
| Unencumbered Cash, Beginning       | <u>1,490,445</u>               | <u>2,062,556</u>                 |
| Unencumbered Cash, Ending          | <u>\$ 2,062,556</u>            | <u>\$ 1,901,681</u>              |

\* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS  
 Water/Sewer Bond Reserve Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2019 and 2018

|                                    | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|------------------------------------|--------------------------------|----------------------------------|
| Receipts                           |                                |                                  |
| Miscellaneous                      | \$ 2,135                       | \$ 2,664                         |
| Total Receipts                     | 2,135                          | 2,664                            |
| Expenditures                       |                                |                                  |
| Miscellaneous                      | -                              | -                                |
| Total Expenditures                 | -                              | -                                |
| Receipts Over [Under] Expenditures | 2,135                          | 2,664                            |
| Unencumbered Cash, Beginning       | 286,001                        | 288,136                          |
| Unencumbered Cash, Ending          | \$ 288,136                     | \$ 290,800                       |

\* This fund is not required to be budgeted

CITY OF LOUISBURG, KANSAS  
 Water/Sewer Depreciation Reserve Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2019 and 2018

|                                    | Prior<br>Year<br><u>Actual</u> | Current<br>Year<br><u>Actual</u> |
|------------------------------------|--------------------------------|----------------------------------|
| Receipts                           |                                |                                  |
| Use of money and property          | \$ 778                         | \$ 1,620                         |
| Total Receipts                     | <u>778</u>                     | <u>1,620</u>                     |
| Expenditures                       |                                |                                  |
| Miscellaneous                      | -                              | -                                |
| Total Expenditures                 | <u>-</u>                       | <u>-</u>                         |
| Receipts Over [Under] Expenditures | 778                            | 1,620                            |
| Unencumbered Cash, Beginning       | <u>206,982</u>                 | <u>207,760</u>                   |
| Unencumbered Cash, Ending          | <u>\$ 207,760</u>              | <u>\$ 209,380</u>                |

\* This fund is not required to be budgeted

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

| <u>FUNDS</u>       | <u>Beginning<br/>Cash Balance</u> | <u>Receipts</u> | <u>Disbursements</u> | <u>Ending<br/>Cash Balance</u> |
|--------------------|-----------------------------------|-----------------|----------------------|--------------------------------|
| Municipal Court    | \$ 6,397                          | \$ 850          | \$ 1,150             | \$ 6,097                       |
| Total Agency Funds | <u>\$ 6,397</u>                   | <u>\$ 850</u>   | <u>\$ 1,150</u>      | <u>\$ 6,097</u>                |