

# Comprehensive ANNUAL Financial REPORT

City of Winfield, Kansas  
for Fiscal Year ending  
December 31, 2019



CITY OF WINFIELD, KANSAS  
For the Year Ended December 31, 2019

Ronald E Hutto, Mayor

**COMMISSIONERS**

Gregory N. Thompson

Phillip R. Jarvis

**CITY OFFICERS**

Taggart Wall, City Manager

Brenda Peters, City Clerk/Director of Finance

William E. Muret, City Attorney

Kimberly Reynolds, Treasurer

Thomas D. Herlocker, Municipal Judge

Robbie DeLong, Chief of Police

# CITY OF WINFIELD, KANSAS

For the Year Ended December 31, 2019

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

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## **INTRODUCTORY SECTION**



July 28, 2020

To the Citizens of the City of Winfield, Kansas  
Honorable Mayor and City Commissioners

This document is the Comprehensive Annual Financial Report (CAFR) of the City of Winfield, Kansas for the year ended December 31, 2019. This report was prepared by the City's finance department. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the management of the City. We believe the report, as presented, is accurate in all material respects. We also believe it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. Finally, we believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes a description of the City, including services provided, and explanation of the City's accounting system and budgetary controls, and a brief discussion of the city's economic condition and outlook. The City's organizational chart is also included to assist the reader in understanding the structure of the City. The financial section includes the independent auditor's report, Management's Discussion & Analysis, Government-wide financial statements, fund financial statements, notes to the financial statements, and individual and combining statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The reader is specifically directed to Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. MD&A provides a narrative explanation and overview of significant features and trends reflected by data in the financial statements.

Management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The cost of the internal controls should not outweigh their benefits. Thus, the City of Winfield's internal controls are designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

Kansas Statute 75-1122 requires an annual audit of all funds of the City by independent certified public accountants. The firm of Swindoll, Jantzen, Hawk & Loyd, LLC issued an unqualified opinion on the City of Winfield's financial statements for the year ended December 31, 2019. The independent auditor's report is located on page A-1 in the Financial Section of this report.

### ***Profile of the Government***

The City of Winfield, incorporated in 1873, has a population of 11,201 and has an incorporated area of 12.35 square miles. Winfield is located in south central Kansas, less than an hour away from Wichita, and two hours from Tulsa and Oklahoma City. Winfield serves as the county seat for Cowley County, population approximately 34,908.



The City is unique in providing a full range of municipal utility services to its citizens, including electric and gas utilities, water, wastewater, and sanitation services. Other municipal services include police and fire protection, ambulance services, construction and maintenance of streets, drainage facilities and other infrastructure, recreation and cultural activities, a municipal golf course, community and industrial development, planning and zoning, building inspection, cemetery operations and maintenance, general administration, and internal support services. The City provides limited recycling to its citizens, along with composting site facilities, available at no charge to area residents. In addition, library services and low-income housing are provided by component units of the City. Additional information on the component units can be found in Note 1.A. in the notes to the financial statements.

The City of Winfield operates under a Commission/Manager form of government. One member of the three-member commission is elected annually by the Commission to act as Mayor. The City Manager is appointed by the City Commission and is responsible to them for the management of all City employees and administration of all City affairs. Regular city elections are held in odd years. The person receiving the largest number of votes is elected to a four-year term and the person receiving the second largest number of votes is elected to a two-year term.

Expenditures are authorized by a budget approved by the City Commission as required by State statute. The State statute level of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is established at an individual fund level, but is monitored by department within each fund. The finance department continually reviews and approves all significant deviations from budget authorizations. The Kansas cash basis and budget laws requires cash be on hand before an expenditure is authorized, that all expenditures be budgeted (unless specifically exempted by statute), and that the budget not exceed anticipated revenues, including carry forward balances. Budget-to-actual comparisons are provided in this report for each individual fund in which an adopted annual operating budget is required by Kansas statute.

### ***Economic Condition and Outlook***

Winfield is home to three state agencies including the Winfield Correctional Facility, the Department of Children and Family Services, and the Kansas Veterans Home at Winfield. Winfield Correctional Facility, operated by the State of Kansas, consolidated facilities and expanded operations and employment in Winfield.

The City manages its economic development and industrial development work in tandem with Cowley First, the eco-devo arm of Cowley County. Additionally, the City works closely with Winfield Economic Development, Inc., a non-profit economic development group that owns industrial property; The City supports the operations and development of both the Winfield Chamber of Commerce, and Winfield Main Street.

2019 sales tax showed no significant change in sales tax collections from 2018 which does not include the increase in the sales tax rate that went into effect July of 2014. The City of Winfield approved the imposition of a general purpose four-tenths of one percent (.40%) city-wide retailers' sales tax for renovations to finance costs of certain library, street and other capital improvements throughout the City.

In June of 2019, the City's residents approved a measure to replace the four-tenths of one percent (.40%) with a one-percent (1%) sales tax to be used for funding the proposed Public Safety Facility, street improvements, and other capital projects. The one-percent (1%) sales tax began October 1, 2019 and expire September 30, 2045.

Real estate property assessed valuation showed no significant change from 2018, reflecting steady property values. The City issued 15 new dwelling unit permits, and a total of \$7,246,373 of building/construction permits in 2019. This is a very slight decrease to the 2018 statistics of dwelling permits, also a decrease in permits overall of \$8,679,768 This decrease is mostly attributed to public/institutional additions/alterations that were done in 2018. At the end of 2019, Cowley County unemployment was at 3.2%, which is steady with the the 2018 unemployment rate of 3.1%. Even with the flat increase in in sales tax, and in permit dollars issued, the steady unemployment rate and the upcoming industrial developments currently in the discussion phases indicate a continued improving economic

environment. As a note as of this date in 2020, due to the coronavirus pandemic, the county unemployment rate is at 10.6%, however City sales tax revenues as well as utility revenues remain steady. Major industries are still maintaining or expanding.

### ***City Business and Financial Planning***

The City annually revises the current year's budget during preparation of the upcoming year budget, to provide internal management with better oversight. Additionally, the City maintains a five year projected budget for its Capital Improvement Fund, for internal purposes.

The City manages its finances with a long-term perspective. Reacting to the ongoing cutbacks in state funding, the City increased fees for many of its fee-based services. The City increased water rates in 2014, and, made other adjustments to these increases in 2017 to cover current debt as well as building a fund balance in the water fund for future projects. There was an increase in electric rates in 2014 which comes after numerous years of increasing electric costs and no corresponding increase to base rates, these increases expired in May of 2019. The Commission also approved an increase to the City's refuse rates to plan for future capital items and to steady the uncertain recycling market. In addition, sewer user rates were increased in 2018 in order to plan for future capital purchases and upgrades to the wastewater treatment facility. The City has resisted tax increases in the past several years to cover ongoing services, instead looking at long-term efficiencies and alternatives. The City has been able to sustain a level mill levy in dollars for a decade, though actual levies fluctuated slightly with changes in assessed valuation. The City monitors its utility funds' cash balances and future capital needs. Rate increases, when necessary, are designed to cover long term needs of the utility.

The City had numerous large capital projects in the past fifteen years, that have provided long term 'quality of life' enhancements, and, maintained necessary city infrastructure. Years 2009-2012 were viewed as stabilization years as we paid down bonded indebtedness. The City-wide debt load has dropped significantly since 2004. In October of 2015, the City refinanced existing debt and temporary notes into general obligation debt. Bonds were also issued in 2018 to pay off previous temporary note issues for various projects. The City issued bonds in 2019 to begin Phase I of the Public Safety Facility and also re-financed more existing debt, temporary notes and some new projects including Country Club Villas, the City's newest development. We continue to evaluate our financial goals on the notion of an improving economy.

The City's insurance and self-insurance programs have been funded and administered as part of the City's Risk management. Funds were maintained in a reserve fund as authorized in Kansas Statutes. Additionally, the City maintains insurance policies and bonds as detailed in the Additional Information Section of this report. The City currently maintains full workers' compensation coverage through the Kansas Eastern Region Insurance Trust group (KERIT) but continues to fund the Risk Management reserve to fulfill liabilities prior to transitioning to KERIT in 2011.

### ***Cash Management Policies and Practices***

The City maintains its cash and investments under a pooled concept. This mechanism enhances the City's investment possibilities. The City requests competitive bids on all investments in accordance with K.S.A. 12-1675. Idle funds are used to purchase certificates of deposit or other allowable investments, with maturities scheduled to meet anticipated cash flow requirements. During 2019, an average of \$8.54 million was invested for an average of 201 days, at an average rate of 1.76%.

### ***Major Initiatives***

- City of Winfield continues to maintain its single-family home builds.
- The City began collecting sales tax from an increase for a 7 year period for library renovations and street/infrastructure improvements. Voters approved an additional .4% sales tax increase in February 2014, with 81% of those voting in favor of the increase. The increase went into effect July 1, 2014. The library portion of \$900,000 was reached in March of 2016. Going forward, all collections will be used for street and ADA projects. In June of 2019, the City's residents

approved a measure to replace the four-tenths of one percent (.40%) with a one-percent (1%) sales tax to be used for funding the proposed Public Safety Facility, street improvements, and other capital projects. The one-percent (1%) sales tax will begin October 1, 2019 and expire September 30, 2045.

- The City entered into an agreement with USD 465 for the transfer of property as the proposed site of a future public safety facility. The City also entered into an agreement with Algora Architecture to provide professional design services for Phase I of this project. Demolition of the current structure located on the site was finished in the Fall of 2018. Phase \* will be construction of the Fire/EMS Bays planned for Fall of 2020. Proposed Phase 2 will be the Police portion of the facility as well as a shared training facility planned for the Fall of 2021. Proposed Phase 3 will be for construction/remodel of the Fire/EMS Administration building planned for Spring of 2023.
- 2019 Street projects were: Menor Street from 6<sup>th</sup> Avenue to 9<sup>th</sup> Avenue; 8<sup>th</sup> Avenue from Millington Street to Maris Street; 6<sup>th</sup> Avenue Main Street to Manning Street; 2<sup>nd</sup> Avenue Park Street to College Street; Bliss Street from 8<sup>th</sup> Avenue to 9<sup>th</sup> Avenue; Olive Street from RR tracks to College Street; HN Banner Road from College Street to Viking Boulevard; Elizabeth Street from Cherry Street to Mound Street; Red Bud Drive from Mound Street to Elizabeth Street; and Terrace Drive.
- Various Micro-seal Street re-surfacing projects were also done in 2019.
- Country Club Villas, located on Country Club Road right next to the Country Club Golf Course, has begun construction of dwelling units and is expected provide 22 units. As of this date, seven units are either fully constructed or construction is underway.
- A new development, Stonebrook Division to be located at 19<sup>th</sup> Avenue and Bliss Street is in progress and will provide construction of duplexes and multi-family housing.
- A dog park located at Black Creek Park is now complete, and a performance venue sponsored and paid for by the Rotary Club to commemorate their 100 year anniversary located in Island Park was finished and in use for events in 2019. A major upgrade is in progress for Lions Club Park (as a partner to the Lion's Club) located at 13<sup>th</sup> Avenue and Bliss Street including playground surface, equipment, landscaping, and ADA improvements including parking.
- In 2020, the City is expected to complete a sale of 65% share in the City's transmission assets to GridLiance GP, LLC. The move is expected to aid the City in technical expertise and an able capital partner to complete mandated and other necessary electric transmission asset improvements. The proceeds of the sale will be directly input back into the system upgrades. The City will continue to provide maintenance for the entire system and will be reimbursed by GridLiance, LLP for such work as well as an annual franchise payment from GridLiance to the City. In 2020, the two are expected to complete approximately \$4.2M in improvements with the City responsible for 35% of those costs. Those costs will be directly recovered through applicable transmission zonal charges to customers in the Southwest Power Pool.
- In 2019, the City sustained five different flooding events (two minor and three major). The City sustained damage to facilities primarily located at the Winfield Fairgrounds. The City has worked with insurance as well as FEMA for cost recovery on the flooding. AS of the time of this report approximately \$224,000 remains in a claim to FEMA.
- As a result of the 2019 flooding, the City applied for and received an emergency Urgent Need Community Development Block Grant project to replace a main waterline serving customers on the west side of the Walnut River. The line had been exposed from floodwaters and was determined to be a public health and safety threat by the Kansas Department of Health and Environment. The project was estimated at near \$180,000 and was completed for a total of \$137,510.32 in 2020. The grant proceeds on the project paid \$121,510.32, with the remainder funded by the City's Water Fund.

- The City is currently undertaking a twelve month planning process aimed at determining the direction from the public for policies, programs and services. The program will conclude with a new Future Land Use Map being adopted for the City for use in future development. The process began in the fall of 2019 and will conclude in the fall of 2020. The cost of the planning process is expected to be \$50,000. The City has money allocated toward this project in the Capital Improvements Fund.
- The most recent Standard & Poor's Rating Services affirmed its 'A+' long-term rating on Winfield, Kansas' General Obligation (GO) bonds, based on improved general fund balance levels, strong management team, and strong liquidity.
- The City continued its sidewalk and other infrastructure improvements, related to ADA compliance.

### ***Certificate of Achievement and Acknowledgments***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winfield for its comprehensive annual financial report for the year ended December 31, 2018. This was the 21<sup>st</sup> consecutive year that the City has received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the assistance of numerous persons both in and out of local government. The firm of Swindoll, Jantzen, Hawk & Loyd, LLC provided independent audit services. Specific appreciation is expressed to the dedicated staff of the City accounting department. We would also like to thank members of the other City departments who assisted and contributed to this report. Finally, preparation of this report would not be possible without the support of the City Commission. We express special appreciation to them for their leadership in planning and conducting the financial operations of the City in a professional, responsible and progressive manner in the best interests of the residents of Winfield.

Respectfully submitted,



Taggart Wall  
City Manager



Brenda Peters  
City Clerk



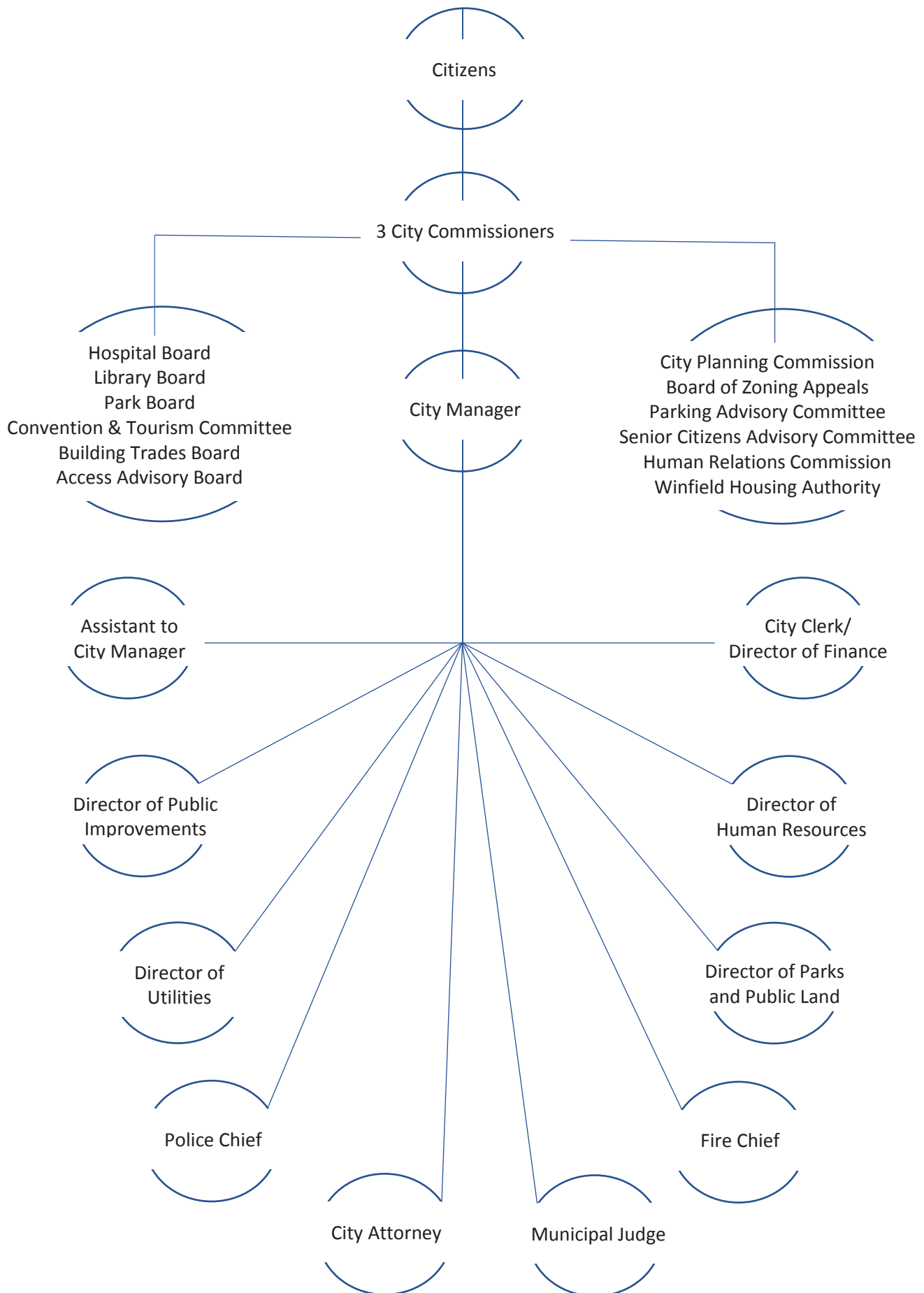
Kim Reynolds  
City Treasurer

CITY OF WINFIELD, KANSAS

LIST OF PRINCIPAL OFFICIALS  
DECEMBER 31, 2019

Mayor	Ronald E. Hutto
Commissioner	Gregory N. Thompson
Commissioner	Phillip R. Jarvis
City Manager	Taggart Wall
City Attorney	William Muret
Assistant City Manager	Gary Mangus
City Clerk/ Director of Finance	Brenda Peters
City Treasurer	Kimberly Reynolds
Fire Chief	Vincent Warren
Police Chief	Robbie DeLong
Municipal Judge	Thomas D. Herlocker
Director of Public Improvements	Patrick Steward
Director of Utilities	Adam R. Collins
Director of Parks and Public Land	Gary Mangus
Director of Information Systems	Jerred Schmidt
Director of Human Resources	Jamie Chism

# CITY OF WINFIELD, KANSAS ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of Winfield  
Kansas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commission  
City of Winfield, Kansas 67019

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Winfield Public Library and the Winfield Housing Authority, which represents 100 percent, 100 percent, and 100 percent, respectively, of the assets, net position and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 statements.

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

### Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate

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North Newton, KS 67117  
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Wichita, KS 67202  
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remaining fund information of the City of Winfield, Kansas, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

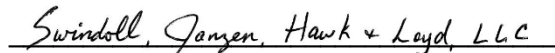
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, other post-employment benefits other than pensions, the schedule of the City's proportionate share of the net pension liability, the schedule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

#### ***Other Information***

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

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

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

  
Swindoll, Janzen, Hawk & Loyd, LLC  
Hutchinson, Kansas  
July 28, 2020

## CITY OF WINFIELD, KANSAS

### Management's Discussion and Analysis December 31, 2019

As management for the City of Winfield, Kansas (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Finances for this City are multifaceted and quite complex. As such, management desires for this narrative to be informative beyond what is seen on the face of the statements and to discuss the financial activities of the City. We hope you find these comments helpful as you read through them.

#### **Financial Highlights**

The assets and deferred outflow of resources for the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$66.39 million (net position). Of this amount, a positive \$4.8 million (unrestricted net position) is the balance.

The City's total net position in business activities and governmental activities increased by \$3.44 million during the fiscal year. Governmental net position increased 3% and business activities net position increased 10%.

At the close of 2019, the City's governmental funds reported combined ending fund balances of \$19.01 million. There is a positive \$474 thousand of unassigned Fund Balance.

At the close of 2019, the City's primary operating fund, the general fund, had a balance of \$1.3 million.

At the close of 2019, the City's total long-term debt for governmental activities increased \$5.4 million. Most of this change is accounted for in bonded indebtedness taken on for the construction of the Public Safety Center. At the close of 2019, the City's total long-term debt for business activities increased \$296 thousand. City continues to make payments on existing debt. The fund balance in the Bond and Interest Fund increased from \$809 thousand to \$1.27 million.

#### **Overview of the Financial Statements**

The City's financial report consists of the following sections:

- Management Discussion and Analysis;
- The basic financial statements, which include the government-wide and the fund financial statements, along with the notes to the basic financial statements;
- Combining and individual statements and schedules for non-major funds; and,
- Statistical section

The basic financial statements of the City include the government-wide financial statements and the fund financial statements. The notes to the financial statements follow the basic financial statements and are essential for the reader's understanding of the financial statements. Other supplementary information, including the statistical section, is also included at the end of this report to provide additional context and information for the reader.

**Government-wide financial statements** present the results of the City's operations using the accrual basis of accounting, the basis of accounting used by private-sector businesses. These statements focus on the long-term financial picture of the City as a whole.

The *statement of net position* reports all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the two reported as *net position*. Net position is an important measure of the City's overall financial health. The increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

## CITY OF WINFIELD, KANSAS

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### Management's Discussion and Analysis December 31, 2019

The *statement of activities* shows how the City's net position changed during the most recent fiscal year. The unique feature of this statement is how it shows the revenues and expenses related to specific programs and how much of the programs were supported by the general taxes of the City. Since this statement is prepared on the accrual basis of accounting, all revenues and expenses are included, regardless of when cash is received.

Both statements show the operations of the City broken down by governmental activities and business-type activities. Governmental activities are the operations of the City generally supported by taxes, such as public works, public safety, parks, land management, and general administration. Business-type activities are operations of the City that are intended to recover all or a significant portion of their costs through user fees and charges. These consist of the five utilities the City operates: electric, natural gas, water, wastewater, and storm water along with the Quail Ridge Golf Course.

**Fund financial statements** focus on individual parts of the City's government. These statements report the City's operations in more detail than the government-wide financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with finance-related legal requirements. These funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds** financial statements are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, except for long-term debt and other similar items, which are recorded when due. The focus, therefore, is on the short-term financial picture of the operations reported rather than the City as a whole. Most of the City's basic operations are reported in the Governmental Fund financial statements. The information reported in these statements can be compared to the governmental activities information in the government-wide statements. The reconciliation at the end of the fund financial statements details the relationship between the two types of financial statements.

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are major funds. Data from the remaining governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary funds** are used by the City to account for activities that operate like commercial enterprises found in the private sector. Funds that charge fees for services provided to outside customers including other local governments are called enterprise funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Funds that charge fees for services provided to departments within the reporting government are known as internal service funds. Proprietary funds use the accrual basis of accounting; thus, the only reconciling items needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements relate to the elimination of internal service fund activity and capital asset ownership transfers.

The City has six enterprise funds: Electric Fund, Natural Gas Fund, Water Fund, Wastewater Fund, Refuse Fund, and the Quail Ridge Golf Course Fund. The City has two internal service funds: Management Services Fund, and Operational Services Fund. The Electric, Natural Gas, Water and Wastewater funds are the only ones considered major for presentation purposes.

**Fiduciary funds** are used by the City to account for resources held by the City for the benefit of a third party. Fiduciary funds are not reflected in the government-wide financial statements, since the resources

## CITY OF WINFIELD, KANSAS

### Management's Discussion and Analysis December 31, 2019

of those funds are not available to support the City's operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the basic financial statements** provide additional information that is essential to obtain a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the financial statements and accompanying notes described above, this report also contains *required supplementary information* concerning the City's progress in funding its obligation to provide postemployment benefits to its employees and supplementary information regarding non-major funds have been included to give the reader greater context of the information provided.

### **Analysis of the Government-Wide Financial Statements**

#### ***Analysis of net position***

As indicated earlier, net position may serve over time as a useful indicator of the City's financial condition. For the City, assets plus deferred outflows exceeded liabilities plus deferred inflows of resources by \$66.39 million at the close of the current fiscal year. The City's net position increased by \$3.44 million from the prior year, with business-type activities accounting for a increase of \$1.12 million offset and governmental activities increasing by \$2.32 million.

<b>City of Winfield Net Position</b>						
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 19,227,529	\$ 15,397,543	\$ 14,311,965	\$ 12,845,797	\$ 33,539,494	\$ 28,243,340
Capital assets	35,231,941	33,307,176	39,617,707	40,284,803	74,849,648	73,591,979
Total assets	54,459,470	48,704,719	53,929,672	53,130,600	108,389,142	101,835,319
Deferred Outflows	1,292,713	1,441,278	1,044,320	1,070,105	2,337,033	2,511,383
Long-term liabilities	25,480,426	20,253,790	9,359,370	8,823,945	34,839,796	29,077,735
Other liabilities	3,253,768	5,094,972	1,526,855	2,375,873	4,780,623	7,470,845
Total liabilities	28,734,194	25,348,762	10,886,225	11,199,818	39,620,419	36,548,580
Deferred Inflows	4,329,695	4,429,785	386,245	416,504	4,715,940	4,846,289
Net position:						
Net investment in						
Capital Assets	15,466,287	19,201,579	35,938,587	36,633,890	51,404,874	55,835,469
Restricted for:						
Capital Projects	1,236,247	1,110,433	4,528,811	3,938,533	5,765,058	5,048,966
General Government	346,538	145,062	-	-	346,538	145,062
Public Safety	581,665	570,503	-	-	581,665	570,503
Public Works	323,235	323,197	-	-	323,235	323,197
Health & Welfare	248,499	150,484	-	-	248,499	150,484
Street improvements	677,765	772,429	-	-	-	-
Environmental Prot.	-	-	-	-	-	-
Cultural & Recreation	118,680	76,649	-	-	118,680	76,649
Economic Devel.	817,756	907,781	-	-	817,756	907,781
Debt Service	1,267,282	809,907	-	-	1,267,282	809,907
Unrestricted (deficit)	1,604,340	(3,700,574)	3,234,124	2,011,960	4,838,464	(1,688,614)
Total net position	\$ 22,688,294	\$ 20,367,450	\$ 43,701,522	\$ 42,584,383	\$ 66,389,816	\$ 62,951,833

Assets increased by \$6.55 million. Governmental Activities Assets increased \$5.75 million. Business-Type Activities Assets increased \$800 thousand.

Liabilities increased by \$3.07 million. Governmental Activities Liabilities increased \$3.38 million. Business-Type Activities Liabilities decreased \$314 thousand.

# CITY OF WINFIELD, KANSAS

## Management's Discussion and Analysis December 31, 2019

Approximately 78 percent of the City's net position reflect a net investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, and construction work in process), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently the capital assets are not available for future spending. The City has about \$10.15 million of restricted net position, which represents resources that are subject to external restrictions on how they may be spent. The unrestricted net position represents the amount of net position that is neither net investment in capital assets nor restricted. The City's unrestricted net position at December 31, 2019 was \$4.84 million.

### **Analysis of Changes in Net Position**

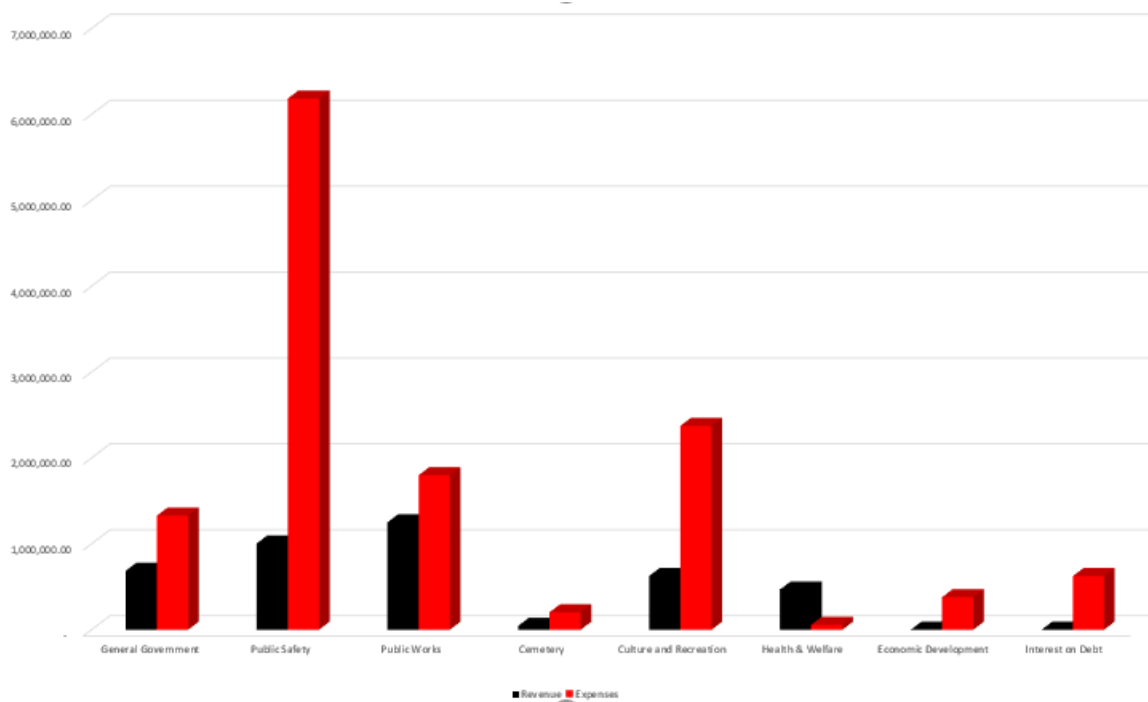
The following table reflects the revenues and expenses for the City's activities for the year ended December 31, 2019, and illustrate the comparison between the current year, and the prior year:

<b>City of Winfield Changes in Net Position</b>						
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 2,745,979	\$ 2,619,857	\$ 38,064,442	\$ 37,451,537	\$ 40,810,421	\$ 40,071,394
Operating grants and contributions	790,802	439,911	-	-	790,802	439,911
Capital grants and contributions	541,402	259,199	-	-	541,402	259,199
General revenues:					-	-
Property taxes	4,399,021	4,258,631	-	-	4,399,021	4,258,631
Sales taxes	2,552,264	2,425,381	-	-	2,552,264	2,425,381
Franchise taxes	149,089	152,318	-	-	149,089	152,318
Transient Guest Tax	77,294	79,930	-	-	77,294	79,930
Alcohol Beverage Tax	70,271	67,047	-	-	70,271	67,047
Investment Earnings	153,739	106,259	120,631	80,831	274,370	187,090
Other	-	-	-	-	-	-
Total revenues	<u>11,479,861</u>	<u>10,408,533</u>	<u>38,185,073</u>	<u>37,532,368</u>	<u>49,664,934</u>	<u>47,940,901</u>
<b>Expenses:</b>						
General government	1,329,125	592,182	-	-	1,329,125	592,182
Public safety	6,184,198	5,866,449	-	-	6,184,198	5,866,449
Public works	1,799,347	2,003,535	-	-	1,799,347	2,003,535
Cemetery	202,876	216,031	-	-	202,876	216,031
Culture and recreation	2,373,817	2,381,671	788,748	754,226	3,162,565	3,135,897
Health & welfare	57,403	78,077	-	-	57,403	78,077
Economic development	378,499	377,593	-	-	378,499	377,593
Interest on long-term debt	624,626	354,950	-	-	624,626	354,950
Electric	-	-	24,604,865	24,705,106	24,604,865	24,705,106
Natural Gas	-	-	2,964,941	3,641,758	2,964,941	3,641,758
Water	-	-	1,872,083	2,104,702	1,872,083	2,104,702
Wastewater	-	-	1,598,412	1,246,911	1,598,412	1,246,911
Refuse	-	-	1,448,011	1,153,414	1,448,011	1,153,414
Total expenses	<u>12,949,891</u>	<u>11,870,488</u>	<u>33,277,060</u>	<u>33,606,117</u>	<u>46,226,951</u>	<u>45,476,605</u>
Change in net position before transfers	(1,470,030)	(1,461,955)	4,908,013	3,926,251	3,437,983	2,464,296
Transfers	3,790,874	2,521,618	(3,790,874)	(2,521,618)	-	-
Change in net position after transfers	2,320,844	1,059,663	1,117,139	1,404,633	3,437,983	2,464,296
Net position, beginning	20,367,450	19,307,787	42,584,383	41,179,750	62,951,833	60,487,537
Restated Capital Assets	-	-	-	-	-	-
Net position, ending	<u>\$ 22,688,294</u>	<u>\$ 20,367,450</u>	<u>\$ 43,701,522</u>	<u>\$ 42,584,383</u>	<u>\$ 66,389,816</u>	<u>\$ 62,951,833</u>

The city's net position in governmental activities increased \$2.32 million. The chart below illustrates how the City's various governmental activities program revenue vs. program expenses fared in 2019.

## CITY OF WINFIELD, KANSAS

### Management's Discussion and Analysis December 31, 2019

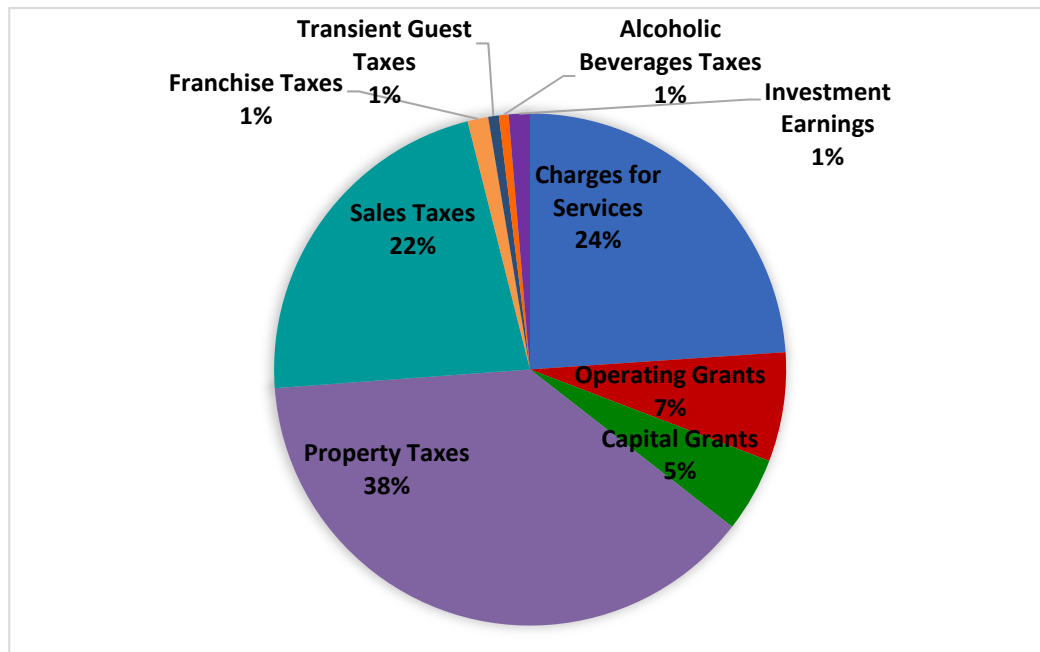


- Public safety activities continues to represent the largest governmental activity expense, \$6.18 million, or 48% percent of the City's total governmental activity expenses. Public safety expenses include police, fire, ambulance, building inspection and public parking services provided by the City. These expenses decreased \$406 thousand, largely attributed to the acquisition of a new ambulance.
- Culture and recreation activities account for \$2.38 million, or about 18% percent of the total governmental activity expenses. This activity includes the Aquatic Center, parks maintenance and the recreation operations at the City of Winfield Lake, the Broadway Sports Complex, and the Winfield Fairgrounds.
- Public works activities account for \$1.80 million, or about 14% of the total governmental activity expenses. This activity primarily includes the street pavement maintenance program.
- General government activities account for \$1.33 million, or 10% of the total governmental activity expenses. This activity includes cost not directly attributable to any other category such as street lights, property insurance, management services, etc.

The chart below illustrates the City's overall program and general revenues for governmental activities in 2019.

## CITY OF WINFIELD, KANSAS

### Management's Discussion and Analysis December 31, 2019



Major sources of revenue in the governmental activities continue to be property, sales, and other taxes as illustrated in the above graph.

- Property taxes totaled \$4.40 million, or 38% of the City's governmental activities revenues. These revenues increased \$140 thousand.
- Charges for services totaled \$2.75 million or 24% of the City's governmental activities revenues. These fees can essentially be summarized into four categories: community development, cemetery services, parks and recreation, and emergency medical services. These revenues increased \$126 thousand.
- Sales taxes totaled \$2.55 million, or 22% of the City's governmental activities revenues. The City has a 1% general sales tax. 1/2 of that tax is dedicated to Capital Projects and is recorded and tracked separately from the General Fund. The other 1/2 is used for general government services to help keep property taxes down.

In addition, On February 25, 2014, the citizens approved a 2/5 of a cent Special Sales tax. Collections for this tax began July of 2014. This tax was set up to provide the first \$600 thousand to the Library for renovations. The next \$300 thousand was split 50/50 between the Library and the Street maintenance program. Any funds over \$900 thousand go solely to the Street program to improve streets and bridges not a part of the State highway system. The Library received much of their portion of this tax in 2014 and 2015 and a small portion in 2016. This tax was replaced in October of 2019 with a June 2019 voter approved 1% sales tax for the construction of a public safety center, streets and other capital improvements until it sunsets in 2045.

Sales taxes are \$2.55 million in 2019 vs. 2.43 million in the prior year. This includes the change in rate for a portion of the year as described above. Sales tax receipts to the City vs. collections by the state reflect a lag of about 2 months. The difference is attributable to that change in rate for receipts in the month of December.



## CITY OF WINFIELD, KANSAS

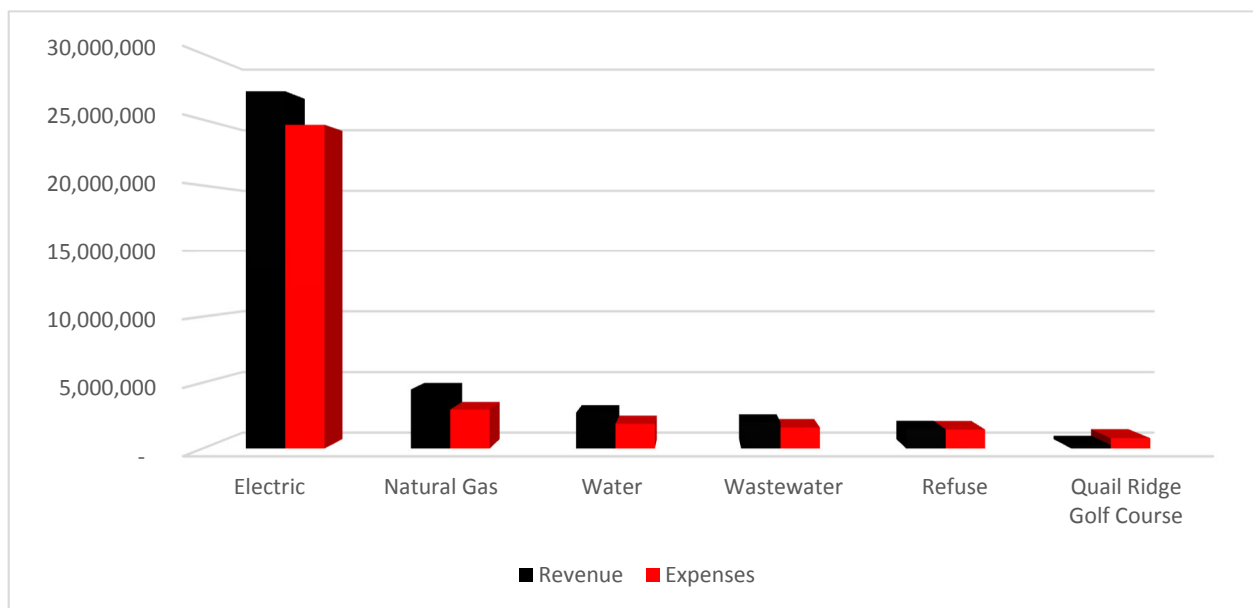
### Management's Discussion and Analysis December 31, 2019

- Capital grants and contributions totaled \$541 thousand or 5% of the City's governmental activities revenues. These revenues include contributions and federal and state grants for public safety equipment and for public works street improvement projects. For 2019, about \$50 thousand increase occurred in public safety and \$200 thousand increase occurred in street grants.

#### ***Business-type Activities***

The City operates five utilities and a municipal golf course. Combined, the electric and gas utilities comprise 83% of the total business-type activity charges.

The City's net position related to business-type activities increased by \$1.12 million from the prior year. The utilities remain to see a need for monitoring the ability to cover shared costs with governmental activities as well as future equipment and capital expenses.



Highlights in the business-type activities area include:

- The Electric Fund had revenues of \$27.15 million, which was a slight decrease. The primary factor for the revenue decrease was a decrease in sales. Expenses were \$24.60 million, which was about \$100 thousand less than the prior year. Budgetary basis revenues exceeded expenses by \$489 thousand.
- The Natural Gas Fund had revenues of \$4.49 million, which was an increase of \$381 thousand or 9%. The primary factor for the revenue increase was an increase in the sale of natural gas and an ongoing rate adjustment. Expenses were \$2.96 million, which was \$676 thousand less than the prior year. The primary reason for the expense change was a change in the amount of natural gas purchased for resale. Budgetary basis revenues exceeded expenses by \$886 thousand.
- The Water Fund had revenues of \$2.71 million, which was an increase of \$122 thousand. The primary factor for the revenue increase was an increase in water sales and an associated rate adjustment. Expenses were \$1.87 million, which was \$232 thousand less than the prior year. Budgetary basis revenues exceeded expenses by \$5 thousand.

## **CITY OF WINFIELD, KANSAS**

### **Management's Discussion and Analysis December 31, 2019**

- The Wastewater Fund had revenues of \$1.98 million, which was an increase of \$150 thousand. Expenses were \$1.60 million, which was about \$300 thousand more than the prior year. The primary reason for the expense increase was additional infrastructure expenses and testing expenses of the sewer system. Budgetary revenues exceeded expenses by \$39 thousand.
- The Refuse Fund had revenues of \$1.46 million, which was about \$100 thousand more than the prior year. Expenses were \$1.49 million, which was about \$300 thousand more than the prior year. The primary reason for the expense increase was a capital purchase and increased recycling freight fees. The City subsequently adjusted the recycling program in 2020 to align revenues and expenses for that service. Additionally, refuse will be transferring dollars to the General Fund as a franchise in future years. Budgetary revenues were less than expenses by \$156 thousand.
- The Quail Ridge Golf Course Fund had revenues of \$272 thousand, which was a decrease of \$38 thousand over 2018. The primary factor for the revenue decrease was major flooding and rain, which resulted in significant loss of play. The City is working to move toward more event play to help recover losses in the future. The main resource for this fund is transfers in from other funds, which offset the difference between revenues and expenses. Expenses for 2019 were \$788 thousand, which was \$34 thousand more than the prior year. The primary reason for the expense increase was an increase in personnel costs.

#### **Financial Analysis of the City's Funds**

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### ***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. Types of governmental funds reports by the City include the general fund, special revenue funds, debt service funds, and capital project funds.

#### **General Fund**

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance was \$1.3 million, steady compared to the prior year. As a measure of the general fund's liquidity, it may be useful to compare the available fund balance to total general fund expenditures. Available fund balance represents 14.1% of total general fund expenditures of \$9.27 million.

The total revenue in the general fund was \$7.6 million, an increase of \$364 thousand over the prior year.

The total expenditures in the general fund were \$9.27 million, an increase of \$716 thousand over the prior year. The main change in expenditures was the acquisition of capital equipment and labor.

#### **Debt Service Fund**

At the end of the current fiscal year, the total fund balance was \$1.27 million, an increase of \$457 thousand over the prior year. This balance is restricted for the payment of future debt.

The total revenue was \$1.19 million, an increase of \$24 thousand. The total expenditures were \$2.42 million, an increase of \$93 thousand over the prior year. The debt fund receives a mill levy toward the

## **CITY OF WINFIELD, KANSAS**

### **Management's Discussion and Analysis December 31, 2019**

payment of debt. The fund is expected to continue to acquire fund balance that will be used to offset the refunding of current debt in 2025.

#### **Capital Projects Fund**

At the end of the current fiscal year, the total fund balance in the major capital project funds was \$1.24 million, an increase of \$126 thousand compared to the prior year all of which is restricted for future capital projects.

The total revenue was \$44 thousand, an increase of \$33 thousand over the previous fiscal year mostly due to increases in miscellaneous income. The largest financing source to these funds is an interfund transfer from the General Fund for the ½ cent sales tax attributable to capital projects/equipment.

The total expenditures were \$244 thousand, an increase of \$122 thousand over the previous fiscal year. Expenditures in this fund occur as projects become ready for construction.

#### **Other governmental funds (Combined)**

This grouping is the summation of all other special revenue funds. These funds are not considered major funds, so the detail on each specific fund can be found in the section titled, "Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds".

At the end of the current fiscal year, the total fund balances in all other governmental funds was \$7.91 million, an increase of \$6.35 million compared to the prior year. The main change is the funds planned for construction of the public safety center.

The total revenue was \$3.25 million, an increase of \$708 thousand more than the previous fiscal year.

The total expenditures were \$4.53 million, about \$300 thousand less than the prior year.

#### ***Proprietary Funds***

The City's proprietary fund statements provide the same type of information found in the government-wide statements, but for our business type activities. The funds listed below are the City's major proprietary funds:

The electric fund had a total net position of \$23.74 million at the end of the current fiscal year. This is an increase of \$407 thousand from the previous year.

The natural gas fund had a total net position of \$4.96 million at the end of the current fiscal year. This is an increase of \$738 thousand from the previous year.

The water fund had a total net position of \$5.41 million at the end of the current fiscal year. This is an increase of \$196 thousand from the previous year.

The wastewater fund had a total net position of \$8.06 million at the end of the current fiscal year. This is an increase of \$27 thousand from the previous year.

#### ***Fiduciary Funds***

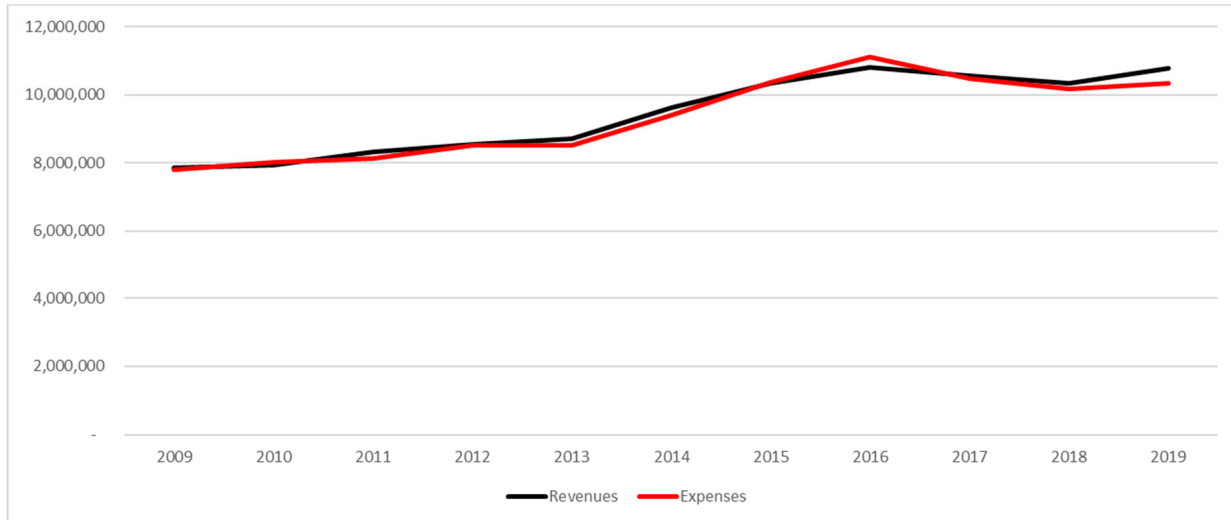
The City maintains three fiduciary funds: Payroll Clearing, Sales Tax, and Flexible Medical.

## CITY OF WINFIELD, KANSAS

### Management's Discussion and Analysis December 31, 2019

#### **General Fund Budgetary Highlights**

The following graph illustrates the City's General Fund Revenues against Expenditures for fiscal years ended 2009 through 2019:



As this graph illustrates, the City has had revenues more than expenditures seven of the last ten years. The City will need to continue monitoring expenditures as compared to flat growth with respect to assessed valuations, which allow for no measurable increase in property tax received. To combat flat property tax receipts, the City will need to review expenditures and likely identify user fee adjustments or ways to promote local sales tax receipts.

#### **Capital Asset and Debt Administration**

##### ***Capital Assets***

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019, amounts to \$74,849,648 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, machinery and equipment, intangibles, vehicles, roads, water lines, sewer lines, natural gas lines and electric lines.

#### **City of Winfield Capital Assets**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 1,900,216	\$ 1,900,216	\$ 830,779	\$ 830,779	\$ 2,730,995	\$ 2,730,995
Buildings	9,832,742	9,258,250	13,327,246	13,327,246	23,159,988	22,585,496
Improvements	33,436,392	32,394,434	64,686,860	63,666,169	98,123,252	96,060,603
Machinery & Equipment	9,281,323	8,677,205	31,096,118	30,805,075	40,377,441	39,482,280
Less Accumulated Deprec.	(20,105,110)	(19,223,090)	(70,474,104)	(68,424,557)	(90,579,214)	(87,647,647)
Leased Equipment	464,464	464,464	114,417	114,417	578,881	578,881
Less Accumulated Amort.	(251,153)	(164,303)	(57,209)	(34,326)	(308,362)	(198,629)
Construction in Process	673,067	-	93,600	-	766,667	-
Total	\$ 35,231,941	\$ 33,307,176	\$ 39,617,707	\$ 40,284,803	\$ 74,849,648	\$ 73,591,979

For additional information on capital assets, see Note 4 to the Basic Financial Statements.

## CITY OF WINFIELD, KANSAS

### Management's Discussion and Analysis December 31, 2019

#### **Debt Administration**

At the end of 2019, the City had a total long-term debt outstanding of \$37.05 million. Of this amount, \$18.36 million was general obligation debt backed by the full faith and credit of the City and \$3.46 was general obligation debt that is supported by business activities.

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation	\$ 18,355,000	\$ 13,145,000	\$ 3,455,000	\$ 3,525,000	\$ 21,810,000	\$ 16,670,000
Capital Leases	391,067	422,439	84,964	93,475	476,031	515,914
Interlocal Agreement	100,500	134,000	-	-	100,500	134,000
Compensated Absences	434,217	408,461	666,587	666,319	1,100,804	1,074,780
Net Premium on GO Bonds	801,385	416,449	-	-	801,385	416,449
Net OPEB Obligation	767,643	789,019	1,111,150	1,146,403	1,878,793	1,935,422
Net pension Obligation	6,247,758	6,308,072	4,631,409	4,223,275	10,879,167	10,531,347
Total	\$ 27,097,570	\$ 21,623,440	\$ 9,949,110	\$ 9,654,472	\$ 37,046,680	\$ 31,277,912

#### **City of Winfield Outstanding Debt**

The City's long-term debt increased due to the GO debt taken on for the construction of the public safety center. This debt is backed by an 87% voter approved 1% sales tax.

The City was assigned an "A+" rating from Standard & Poor's in 2019.

For additional information on debt administration, see Note 5 to the Basic Financial Statements.

#### **Requests for Information**

This financial report is designed to provide the reader with a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to Finance Department, City of Winfield, 200 E 9th Ave, Winfield, KS 67156.

## **BASIC FINANCIAL STATEMENTS**

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

CITY OF WINFIELD, KANSAS

Statement of Net Position  
December 31, 2019

	Primary Government			Component units
	Governmental Activities	Business Type Activities	Total	
Assets:				
Cash and cash equivalents	\$ 12,128,179	\$ 4,180,658	\$ 16,308,837	\$ 837,004
Receivables:				
Property taxes	3,905,378	-	3,905,378	-
Special assessment taxes	1,293,407	-	1,293,407	-
Sales taxes	59,137	-	59,137	-
Franchise fees	34,058	-	34,058	-
Economic development loan receivable	-	-	-	-
Trade accounts, net	196,620	4,011,948	4,208,568	161,362
Due from other governments	482,880	-	482,880	-
Internal balances	417,618	(417,618)	-	-
Advances from fiduciary type funds	-	28,321	28,321	-
Inventories	-	1,870,515	1,870,515	2,147
Prepaid expenses	-	33,623	33,623	30,189
Investment in joint venture	-	63,750	63,750	-
Other investments	-	11,957	11,957	-
Restricted assets	-	4,528,811	4,528,811	16,461
Land held for resale	710,252	-	710,252	-
Capital assets:				
Land	1,900,216	830,779	2,730,995	52,776
Construction work in progress	673,067	93,600	766,667	-
Buildings	9,832,742	13,327,246	23,159,988	5,956,546
Improvements other than buildings	33,436,392	64,686,860	98,123,252	-
Machinery and equipment	9,281,323	31,096,118	40,377,441	438,784
Less accumulated depreciation	(20,105,110)	(70,474,104)	(90,579,214)	(3,551,716)
Leased equipment	464,464	114,417	578,881	-
Less accumulated amortization	(251,153)	(57,209)	(308,362)	-
Total assets	54,459,470	53,929,672	108,389,142	3,943,553
Deferred Outflows of Resources:				
Deferred outflows related to pensions	1,170,874	867,960	2,038,834	42,807
Deferred outflows related to OPEB	121,839	176,360	298,199	-
Deferred outflows of resources	1,292,713	1,044,320	2,337,033	42,807
Liabilities:				
Accounts payable	335,653	637,794	973,447	44,130
Accrued payroll payable	212,770	253,764	466,534	24,838
Accrued interest payable	218,201	45,557	263,758	-
Temporary notes payable	870,000	-	870,000	-
Noncurrent liabilities:				
Due within one year	1,617,144	589,740	2,206,884	1,737
Due in more than one year	25,480,426	9,359,370	34,839,796	319,534
Total liabilities	28,734,194	10,886,225	39,620,419	390,239
Deferred Inflows of Resources:				
Deferred inflows for property taxes receivable	3,905,378	-	3,905,378	-
Deferred inflows for grant receivable	-	-	-	202,270
Deferred inflows on bond refundings	20,256	5,522	25,778	-
Deferred inflows related to pensions	289,084	214,295	503,379	15,989
Deferred inflows related to OPEB	114,977	166,428	281,405	-
Total deferred inflows of resources	4,329,695	386,245	4,715,940	218,259
Net Position:				
Net investment in capital assets	15,466,287	35,938,587	51,404,874	2,896,390
Restricted for:				
Debt service	1,267,282	-	1,267,282	-
Capital improvements	1,236,247	4,528,811	5,765,058	159,937
General government	346,538	-	346,538	-
Public safety	581,665	-	581,665	-
Public works	323,235	-	323,235	-
Health and welfare	248,499	-	248,499	-
Street improvements	677,765	-	677,765	-
Culture and recreation	118,680	-	118,680	-
Economic development	817,756	-	817,756	-
Unrestricted	1,604,340	3,234,124	4,838,464	321,535
Total net position	\$ 22,688,294	\$ 43,701,522	\$ 66,389,816	\$ 3,377,862



CITY OF WINFIELD, KANSAS

Statement of Activities  
Year Ended December 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating		Capital Grants and Contributions	Primary Government		
			Grants and Contributions	Grants		Governmental Activities	Business Type Activities	Total
Governmental Activities:								
General government	\$ 1,329,125	\$ 551,281	\$ -	\$ 135,288	\$ (642,556)	\$ -	\$ (642,556)	\$ -
Public safety	6,184,198	909,619	10,545	83,184	(5,180,850)	-	(5,180,850)	-
Public works/stormwater	1,799,347	150,513	776,733	322,930	(549,171)	-	(549,171)	-
Cemetery	202,876	44,640	750	-	(157,486)	-	(157,486)	-
Culture and recreation	2,373,817	622,954	2,774	-	(1,748,089)	-	(1,748,089)	-
Health and welfare	57,403	466,972	-	-	409,569	-	409,569	-
Economic development	378,499	-	-	-	(378,499)	-	(378,499)	-
Interest on long-term debt	624,626	-	-	-	(624,626)	-	(624,626)	-
Total Governmental Activities	\$ 12,949,891	\$ 2,745,979	\$ 790,802	\$ 541,402	(8,871,708)	-	(8,871,708)	-
Business-Type Activities:								
Electric Utility	\$ 24,604,865	\$ 27,150,127	\$ -	\$ -	-	2,545,262	2,545,262	-
Gas Utility	2,964,941	4,487,651	-	-	-	1,522,710	1,522,710	-
Water Utility	1,872,083	2,714,348	-	-	-	842,265	842,265	-
Wastewater Utility	1,598,412	1,981,287	-	-	-	382,875	382,875	-
Refuse	1,448,011	1,458,749	-	-	-	10,738	10,738	-
Quail Ridge Golf Course	788,748	272,280	-	-	-	(516,468)	(516,468)	-
Total Business-Type Activities	\$ 33,277,060	\$ 38,064,442	\$ -	\$ -	-	4,787,382	4,787,382	-
Component Units:								
Winfield Public Library	\$ 608,809	\$ 17,025	\$ 59,154	\$ -	-	-	-	(532,630)
Winfield Housing Authority	350,810	160,255	86,593	54,985	-	-	-	(48,977)
Total Component Units	\$ 959,619	\$ 177,280	\$ 145,747	\$ 54,985	-	-	-	(581,607)
General Revenues and Transfers:								
General Revenues:								
Property taxes levied for:								
General purposes								
Debt service								
Sales taxes								
Franchise fees								
Transient guest taxes								
Alcohol beverage taxes								
Payment from City of Winfield								
Investment earnings								
Transfers in (out)								
Total general revenues and transfers								
Change in net position								
Net position at beginning of year								
Net position at end of year								

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

## **FUND FINANCIAL STATEMENTS**

CITY OF WINFIELD, KANSAS

Balance Sheet - Governmental Funds  
December 31, 2019

	General	Debt Service	Capital Improvements	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and short-term investments	\$ 1,302,295	\$ 1,074,805	\$ 1,244,106	\$ 8,506,971	\$ 12,128,177
Property taxes receivable	2,670,538	589,821	-	645,019	3,905,378
Special assessment taxes receivable	150,835	1,142,572	-	-	1,293,407
Due from other funds	20,265	183,277	-	-	203,542
Accounts receivable, net	158,027	-	-	38,593	196,620
Due from other governmental agencies	-	482,880	-	-	482,880
Franchise fees receivable	34,058	-	-	-	34,058
Sales tax receivable	59,137	-	-	-	59,137
Land held for resale	-	-	-	710,252	710,252
<b>Total assets</b>	<b>\$ 4,395,155</b>	<b>\$ 3,473,355</b>	<b>\$ 1,244,106</b>	<b>\$ 9,900,835</b>	<b>\$ 19,013,451</b>
<b>Liabilities:</b>					
Accounts payable	\$ 60,455	\$ (9,200)	\$ 7,859	\$ 276,537	\$ 335,651
Accrued payroll	199,189	-	-	13,581	212,770
Due to other funds	-	-	-	183,277	183,277
Temporary notes payable	-	-	-	870,000	870,000
<b>Total liabilities</b>	<b>259,644</b>	<b>(9,200)</b>	<b>7,859</b>	<b>1,343,395</b>	<b>1,601,698</b>
<b>Deferred Inflows of Resources:</b>					
Property taxes receivable	2,670,538	589,821	-	645,019	3,905,378
Special assessment taxes receivable	150,835	1,142,572	-	-	1,293,407
Intergovernmental receivables	-	482,880	-	-	482,880
<b>Total deferred inflows of resources</b>	<b>2,821,373</b>	<b>2,215,273</b>	<b>-</b>	<b>645,019</b>	<b>5,681,665</b>
<b>Fund Balances:</b>					
Nonspendable	20,265	-	-	6,083	26,348
Restricted:					
Debt service	-	1,267,282	-	-	1,267,282
General government	-	-	-	4,541	4,541
Public safety	-	-	-	581,665	581,665
Stormwater drainage improvements	-	-	-	222,322	222,322
Public works	-	-	-	323,235	323,235
Recreation	-	-	-	118,680	118,680
Health and welfare	-	-	-	26,177	26,177
Economic development	-	-	-	787,566	787,566
Levee maintenance	-	-	-	30,190	30,190
Street improvements	-	-	-	677,765	677,765
Equipment acquisitions	-	-	1,236,247	341,997	1,578,244
Committed:					
Water quality improvements	-	-	-	199,133	199,133
Fairgrounds improvements	-	-	-	182,176	182,176
Cemetery improvements	-	-	-	62,178	62,178
Assigned:					
Capital projects	-	-	-	4,348,713	4,348,713
Subsequent year's budget	819,547	-	-	-	819,547
Unassigned	474,326	-	-	-	474,326
<b>Total fund balances</b>	<b>1,314,138</b>	<b>1,267,282</b>	<b>1,236,247</b>	<b>7,912,421</b>	<b>11,730,088</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 4,395,155</b>	<b>\$ 3,473,355</b>	<b>\$ 1,244,106</b>	<b>\$ 9,900,835</b>	<b>\$ 19,013,451</b>

CITY OF WINFIELD, KANSAS

Reconciliation of the Balance Sheet of Governmental Funds  
To Statement of Net Position  
December 31, 2019

Total Governmental Fund Balances		\$ 11,730,088
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (capital assets net of accumulated depreciation)		
Cost	55,588,204	
Accumulated depreciation	(20,356,263)	
		35,231,941
Other assets not available to pay for current period expenditures and therefore are not reported in the governmental funds		
Special assessments taxes receivable		1,293,407
Long-term contractual receivables from other governmental agencies		482,880
Certain items, which result in a consumption of net position applicable to a future reporting period, are recognized as deferred outflows of resources in government-wide financial statements:		
Deferred outflows related to pensions		1,170,874
Deferred outflows related to OPEB		121,839
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds		
Accrued interest payable on general obligation bonds	218,201	
Compensated absences payable	434,218	
Capital lease obligations payable	391,067	
General obligation bonds payable	18,355,000	
Unamortized premium on sale of general obligation bonds	801,385	
Interlocal agreement payable	100,500	
Net pension liability payable	6,247,758	
Net death & disability liability payable	116,802	
Net OPEB liability payable	650,840	
		(27,315,771)
Certain items, which result in an acquisition of net position applicable to a future reporting period, are recognized as deferred inflows of resources in government-wide financial statements:		
Deferred inflows related to bond refundings		(20,256)
Deferred inflows related to pensions		(289,084)
Deferred inflows related to OPEB		(114,977)
Internal service funds are used to charge the cost of certain activities to individual funds. The accumulated equity for the governmental fund types is reported on the statement of net position as internal balances		
		397,353
Net Position of Governmental Activities		\$ 22,688,294

CITY OF WINFIELD, KANSAS

Statement of Revenues, Expenditures and Changes  
In Fund Balances - Governmental Funds  
Year Ended December 31, 2019

	General	Debt Service	Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 3,087,607	\$ 650,961	\$ -	\$ 660,453	\$ 4,399,021
Sales taxes	1,820,885	-	-	731,379	2,552,264
Special assessment taxes	-	241,418	-	-	241,418
Franchise taxes	149,089	-	-	-	149,089
Intergovernmental	490,396	-	-	1,364,594	1,854,990
Licenses and permits	58,432	-	-	-	58,432
Charges for services	1,567,117	-	-	165,503	1,732,620
Fines and forfeitures	57,296	-	-	-	57,296
Use of money and property	136,302	13,256	18,577	117,932	286,067
Sale of equipment	-	-	-	215	215
Miscellaneous	246,662	279,887	25,350	211,988	763,887
Total revenues	7,613,786	1,185,522	43,927	3,252,064	12,095,299
Expenditures:					
Current:					
General government	736,826	14,028	-	341,327	1,092,181
Public safety	6,343,955	-	-	176,513	6,520,468
Public works	-	-	-	3,271,475	3,271,475
Culture and recreation	1,598,697	-	-	598,452	2,197,149
Health and welfare	31,200	-	-	26,203	57,403
Economic development	309,260	-	-	69,239	378,499
Cemetery	220,326	-	-	2,054	222,380
Capital improvements	-	-	244,387	-	244,387
Debt service	33,500	2,402,730	-	41,582	2,477,812
Total expenditures	9,273,764	2,416,758	244,387	4,526,845	16,461,754
Revenues over (under) expenditures	(1,659,978)	(1,231,236)	(200,460)	(1,274,781)	(4,366,455)
Other Financing Sources (Uses):					
Proceeds from bond issue	-	9,365,000	-	-	9,365,000
Premium on bond issue	-	428,264	-	-	428,264
Transfers in	3,078,020	1,581,463	972,525	7,669,575	13,301,583
Transfers out	(1,405,361)	(9,686,116)	(646,251)	(46,435)	(11,784,163)
Total other financing sources (uses)	1,672,659	1,688,611	326,274	7,623,140	11,310,684
Net change in fund balances	12,681	457,375	125,814	6,348,359	6,944,229
Fund balances, beginning year	1,301,457	809,907	1,110,433	1,564,062	4,785,859
Fund balances, end of year	\$ 1,314,138	\$ 1,267,282	\$ 1,236,247	\$ 7,912,421	\$ 11,730,088

# CITY OF WINFIELD, KANSAS

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities December 31, 2019

Net Change in Fund Balances - Total Governmental Funds \$ 6,944,229

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their  
estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlays	\$ 3,650,073	
Depreciation	<u>(1,549,971)</u>	
Excess capital outlays over depreciation		2,100,102

Debt proceeds provide current financial resources for governmental funds but issuing  
debt increases long-term liabilities in the statement of net position for:

Bond proceeds	(6,290,000)	
Bond premium	(409,367)	

In the statement of activities, interest is accrued on outstanding debt, whereas in  
governmental funds, an interest expenditure is reported when due. (96,493)

In the statement of activities, the gain or loss from the disposition of capital assets is  
reported, whereas in the governmental funds, only cash proceeds from the  
sale increase financial resources. Thus, the change in net position differs from  
the change in fund balance by the cost of the assets sold. (175,335)

Repayment of debt principal is an expenditure in the governmental funds,  
but the repayment reduces long-term liabilities in the statement of net assets:

General obligation bond payments	1,080,000	
Capital lease obligation payments	31,372	
Interlocal agreement payments	<u>33,500</u>	
Total payments on long-term liabilities		1,144,872

In the statement of activities the deferred refunding costs increases deferred  
outflows of resources but does not provide current resources to the governmental  
funds. Amortization of the deferred refunding costs is reflected in the statement of  
activities but is not reported as expenditures in the governmental funds:  
Amortization of deferred refunding costs 11,049

Special assessments are not considered available to liquidate liabilities of the current  
period. However, they are recognized as revenue in the statement of activities as soon  
as the related improvements is completed and the special assessments are levied. (160,288)

Revenues in the statement of activities that do not provide current  
financial resources are not reported as revenues in the governmental  
fund for long-term receivables (281,432)

Pension contributions is an expenditure in the governmental funds but reduces the net  
pension liability in the statement of net position. Additionally, the effect of changes in  
deferred outflows and inflows for pensions are only recorded in the statement of activities. 72,773

Some expenses reported in the statement of activities do not require the use of  
current financial resources and therefore are not reported as expenditures in the funds.

Net Other Postemployment Benefits Other Than Pensions	21,376	
Deferred inflows and outflows related to OPEB	(70,044)	
Compensated absences payable	(25,755)	
Amortization of premium on issuance of general obligation bonds	24,431	

Internal service funds are used to charge the cost of certain activities to the individual funds.  
Net revenue (expense) of the internal service funds is reported within governmental activities. (489,274)

Change in Net Position of Governmental Activities \$ 2,320,844

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

CITY OF WINFIELD, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
General Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary	Variance With Final Budget Over (Under)
	Original	Final	Basis	
Revenues:				
Taxes				
Property	\$ 3,143,960	\$ 3,143,960	\$ 3,087,607	\$ (56,353)
Sales	1,930,000	1,930,000	1,828,450	(101,550)
Franchise	168,000	168,000	150,215	(17,785)
Intergovernmental	455,000	455,000	490,396	35,396
Licenses, fees and permits	1,023,600	1,023,600	1,067,531	43,931
Charges for services	589,378	589,378	657,498	68,120
Fines and forfeitures	98,000	98,000	57,296	(40,704)
Use of money and property	129,000	129,000	136,302	7,302
Miscellaneous	71,000	71,000	224,216	153,216
Transfers in	3,013,500	3,013,500	3,078,020	64,520
Total revenues	10,621,438	10,621,438	10,777,531	156,093
Expenditures and encumbrances:				
General government				
Administrative/other	518,599	518,599	501,849	(16,750)
Cemetery maintenance	243,194	243,194	220,326	(22,868)
Public safety:				
Police Department	3,056,110	3,056,110	2,735,616	(320,494)
Fire Department	3,078,825	3,078,825	3,031,251	(47,574)
EMS Department	580,798	580,798	512,986	(67,812)
Municipal Court	82,593	82,593	79,089	(3,504)
Parking	20,256	20,256	763	(19,493)
Culture and recreation:				
City Lake	304,908	304,908	281,428	(23,480)
Park maintenance	669,036	669,036	663,318	(5,718)
Baden Square	247,860	247,860	219,306	(28,554)
Aquatic facility	228,273	228,273	217,560	(10,713)
Sports complex	175,062	175,062	173,285	(1,777)
Economic Development:				
Community development	290,939	290,939	299,260	8,321
Transfers out	1,492,000	1,492,000	1,405,361	(86,639)
Total expenditures and encumbrances	10,988,453	10,988,453	10,341,398	(647,055)
Revenues over (under) expenditures and encumbrances	(367,015)	(367,015)	436,133	803,148
Unencumbered cash, beginning of year	367,015	367,015	584,248	217,233
Unencumbered cash, end of year	\$ -	\$ -	\$ 1,020,381	\$ 1,020,381

# CITY OF WINFIELD, KANSAS

## Statement of Net Position - Proprietary Funds December 31, 2019

	Business-Type Activities - Enterprise Funds					Total Enterprise Funds	Governmental Activities Internal Service Funds
	Electric Utility	Gas Utility	Water Utility	Wastewater Utility	Nonmajor Enterprise Funds		
Current Assets:							
Cash and cash equivalents	\$ 961,584	\$ 773,434	\$ 289,957	\$ 559,261	\$ 352,087	\$ 2,936,323	\$ 1,244,335
Trade accounts receivable	2,505,783	703,245	397,480	158,905	179,463	3,944,876	67,072
Inventories	1,326,668	253,365	124,098	25,310	25,458	1,754,899	115,616
Prepaid insurance	-	-	-	-	-	-	33,623
Restricted assets:							
Cash and cash equivalents restricted for:							
Electric Utility improvements	4,320,995	-	-	-	-	4,320,995	-
Wastewater Utility improvements	-	-	-	207,816	-	207,816	-
Total current assets	9,115,030	1,730,044	811,535	951,292	557,008	13,164,909	1,460,646
Property, Plant and Equipment:							
Land	382,366	6,305	8,801	23,355	403,452	824,279	6,500
Buildings	3,528,895	-	1,209,573	5,881,554	574,363	11,194,385	2,132,861
Construction in process	73,750	-	14,850	5,000	-	93,600	-
Improvements other than buildings	30,751,331	6,468,280	11,428,209	13,394,270	2,535,375	64,577,465	109,395
Machinery and equipment	18,548,067	704,206	5,599,764	2,404,306	2,125,658	29,382,001	1,714,117
Less accumulated depreciation	(37,007,291)	(3,153,287)	(9,497,063)	(13,967,268)	(4,115,591)	(67,740,500)	(2,733,604)
Leased equipment	-	-	-	77,245	37,172	114,417	-
Less accumulated amortization	-	-	-	(38,623)	(18,586)	(57,209)	-
Property, plant and equipment, net	16,277,118	4,025,504	8,764,134	7,779,839	1,541,843	38,388,438	1,229,269
Other Assets:							
Advances to other funds	55,909	6,645	2,970	4,912	7,620	78,056	-
Investment in joint venture	-	-	-	-	63,750	63,750	-
Other investments	11,957	-	-	-	-	11,957	-
Total other assets	67,866	6,645	2,970	4,912	71,370	153,763	-
Total assets	25,460,014	5,762,193	9,578,639	8,736,043	2,170,221	51,707,110	2,689,915
Deferred Outflows of Resources:							
Deferred outflows related to pensions	240,778	64,698	100,313	82,261	81,173	569,223	298,737
Deferred outflows related to OPEB	48,061	12,258	19,554	15,636	16,939	112,448	63,912
Total deferred outflows of resources	288,839	76,956	119,867	97,897	98,112	681,671	362,649
Total assets and deferred outflows of resources	25,748,853	5,839,149	9,698,506	8,833,940	2,268,333	52,388,781	3,052,564

The accompanying notes are an integral part of the financial statements



# CITY OF WINFIELD, KANSAS

## Statement of Net Position - Proprietary Funds (Continued) December 31, 2019

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Electric Utility	Gas Utility	Water Utility	Wastewater Utility	Nonmajor Enterprise Funds		Total Enterprise Funds
Current Liabilities:							
Salaries and wages payable	\$ 68,804	\$ 17,281	\$ 29,047	\$ 21,827	\$ 24,886	\$ 161,845	\$ 91,918
Accounts payable	38,762	345,147	9,723	28,742	58,209	480,583	157,209
Compensated absences payable	85,821	24,527	31,276	33,642	31,178	206,444	98,033
Current portion of general obligation bonds payable	-	-	276,361	-	-	276,361	-
Accrued interest payable	-	-	45,557	-	-	45,557	-
Current portion of capitalized lease obligations payable	-	-	-	6,008	2,894	8,902	-
Total current liabilities	193,387	386,955	391,964	90,219	117,167	1,179,692	347,160
Noncurrent Liabilities:							
Advances from other funds	-	-	-	-	-	-	70,000
Long-term portion of compensated absences payable	121,170	38,349	11,477	57,054	26,799	254,849	107,260
Long-term portion of general obligation bonds payable	-	-	3,178,639	-	-	3,178,639	-
Long-term portion of capitalized lease obligations	-	-	-	51,357	24,704	76,061	-
OPEB obligation payable	302,807	77,231	123,199	98,516	106,726	708,479	402,671
Net pension liability payable	1,284,784	345,232	535,264	438,944	433,135	3,037,359	1,594,052
Total noncurrent liabilities	1,708,761	460,812	3,848,579	645,871	591,364	7,255,387	2,173,983
Total liabilities	1,902,148	847,767	4,240,543	736,090	708,531	8,435,079	2,521,143
Deferred Inflows of Resources:							
Unamortized premium on general obligation bonds	-	-	5,522	-	-	5,522	-
Deferred inflows related to pensions	59,448	15,973	24,767	20,309	20,042	140,539	73,756
Deferred inflows related to OPEB	45,354	11,568	18,453	14,756	15,985	106,116	60,312
Total deferred inflows of resources	104,802	27,541	48,742	35,065	36,027	252,177	134,068
Net Position:							
Net investment in capital assets	16,277,118	4,025,504	5,263,577	7,722,474	1,514,245	34,802,918	1,229,269
Restricted for Electric Utility Improvements	4,320,995	-	-	-	-	4,320,995	-
Restricted for Wastewater Utility Improvements	-	-	-	207,816	-	207,816	-
Unrestricted	3,143,790	938,337	145,644	132,495	9,530	4,369,796	(831,916)
Total net position	\$ 23,741,903	\$ 4,963,841	\$ 5,409,221	\$ 8,062,785	\$ 1,523,775	\$ 43,701,525	\$ 397,353

The accompanying notes are an integral part of the financial statements

CITY OF WINFIELD, KANSAS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds  
Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Electric Utility	Gas Utility	Water Utility	Wastewater Utility	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues:							
Charges for services	\$ 27,068,216	\$ 4,494,741	\$ 2,841,276	\$ 1,968,408	\$ 1,769,729	\$ 38,142,370	\$ 6,389,717
Miscellaneous	67,303	-	19,535	14,243	99	101,180	395,087
Total operating revenues	27,135,519	4,494,741	2,860,811	1,982,651	1,769,828	38,243,550	6,784,804
Operating Expenses:							
Services and supplies	23,196,073	2,885,862	1,358,311	1,134,915	2,088,333	30,663,494	6,902,236
Depreciation and amortization	1,408,789	79,079	459,497	463,497	147,031	2,557,893	149,043
Total operating expenses	24,604,862	2,964,941	1,817,808	1,598,412	2,235,364	33,221,387	7,051,279
Operating income (loss)	2,530,657	1,529,800	1,043,003	384,239	(465,536)	5,022,163	(266,475)
Nonoperating Revenues (Expense):							
Interest income	79,245	16,229	4,363	12,759	8,035	120,631	18,943
Interest expense	-	-	(54,275)	-	(1,395)	(55,670)	-
Gain (loss) on disposal of assets	14,608	(7,090)	(146,463)	(1,364)	(35,325)	(175,634)	(88)
Loss on joint venture	-	-	-	-	(3,474)	(3,474)	-
Total nonoperating revenue (expense)	93,853	9,139	(196,375)	11,395	(32,159)	(114,147)	18,855
Income (loss) before transfers	2,624,510	1,538,939	846,628	395,634	(497,695)	4,908,016	(247,620)
Transfers from other funds	500,000	-	-	25,000	459,475	984,475	-
Transfers to other funds	(2,716,830)	(800,587)	(650,615)	(393,220)	(214,097)	(4,775,349)	(241,654)
Change in net position	407,680	738,352	196,013	27,414	(252,317)	1,117,142	(489,274)
Net position, beginning of year	23,334,223	4,225,489	5,213,208	8,035,371	1,776,092	42,584,383	886,627
Net position, end of year	\$ 23,741,903	\$ 4,963,841	\$ 5,409,221	\$ 8,062,785	\$ 1,523,775	\$ 43,701,525	\$ 397,353

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

CITY OF WINFIELD, KANSAS

Statement of Cash Flows - Proprietary Funds  
Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Electric Utility	Gas Utility	Water Utility	Wastewater Utility	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:							
Cash received from customers	\$ 26,992,623	\$ 4,467,529	\$ 2,726,891	\$ 1,971,498	\$ 1,730,035	\$ 37,888,576	\$ -
Cash received from interfund charges	-	-	-	-	-	-	6,364,263
Other cash receipts	67,303	-	19,535	14,243	386	101,467	399,159
Cash payments for materials and services	(21,258,430)	(1,885,633)	(67,215)	(231,794)	(822,395)	(24,265,467)	(3,877,727)
Cash payments to employees for services and benefits	(788,383)	(465,152)	(813,677)	(642,442)	(863,931)	(3,573,585)	(2,792,456)
Cash payments for interfund services	(1,402,927)	(801,680)	(433,708)	(184,935)	(335,533)	(3,158,783)	-
Net cash provided (used by) operating activities	3,610,186	1,315,064	1,431,826	926,570	(291,438)	6,992,208	93,239
Cash flows from capital and related financing activities:							
Proceeds from disposal of capital assets	22,964	56	1,160	7	-	24,187	-
Principal paid on capital lease obligations	-	-	-	(5,744)	(2,767)	(8,511)	-
Bond proceeds	-	-	3,075,000	-	-	3,075,000	-
Principal paid on general obligation bonds	-	-	(3,145,000)	-	-	(3,145,000)	-
Interest paid on debt	-	-	(75,794)	-	(1,395)	(77,189)	-
Acquisition and construction of capital assets	(794,687)	(11,092)	(623,253)	(488,858)	(295,822)	(2,213,712)	(30,380)
Net cash provided (used) by capital and related financing activities	(771,723)	(11,036)	(767,887)	(494,595)	(299,984)	(2,345,225)	(30,380)
Cash flows from noncapital financing activities:							
Transfers from other funds	500,000	-	-	25,000	459,475	984,475	-
Transfers to other funds	(2,716,830)	(800,587)	(650,615)	(393,220)	(214,097)	(4,775,349)	(241,654)
Net cash provided (used) by noncapital financing activities	(2,216,830)	(800,587)	(650,615)	(368,220)	245,378	(3,790,874)	(241,654)
Cash flows from investing activities:							
Interest received	79,245	16,229	4,363	12,759	8,035	120,631	18,943
Net increase (decrease) in cash and cash equivalents	700,878	519,670	17,687	76,514	(338,009)	976,740	(159,852)
Cash and cash equivalents, beginning of year	4,581,701	253,764	272,270	690,563	690,096	6,488,394	1,404,187
Cash and cash equivalents, end of year	\$ 5,282,579	\$ 773,434	\$ 289,957	\$ 767,077	\$ 352,087	\$ 7,465,134	\$ 1,244,335
Reconciliation of cash and cash equivalents:							
Cash and cash equivalents per net position	\$ 961,584	\$ 773,434	\$ 289,957	\$ 559,261	\$ 352,087	\$ 2,936,323	\$ 1,244,335
Restricted cash and cash equivalents included in restricted assets	4,320,995	-	-	207,816	-	4,528,811	-
Cash and cash equivalents, end of year	\$ 5,282,579	\$ 773,434	\$ 289,957	\$ 767,077	\$ 352,087	\$ 7,465,134	\$ 1,244,335

The accompanying notes are an integral part of the financial statements

CITY OF WINFIELD, KANSAS

Statement of Cash Flows - Proprietary Funds (Continued)

Proprietary Funds

Year Ended December 31, 2019

	Business-Type Activities - Enterprise Funds						Governmental Activities	
	Electric Utility	Gas Utility	Water Utility	Wastewater Utility	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities								
Operating income (loss)	\$ 2,530,657	\$ 1,529,800	\$ 1,043,003	\$ 384,239	\$ (465,536)	\$ 5,022,163	\$ (266,475)	
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation and amortization expense	1,408,789	79,079	459,497	463,497	147,031	2,557,893	149,043	
(Increase) decrease in trade accounts receivable	(75,593)	(27,212)	(114,385)	3,090	(39,407)	(253,507)	(17,899)	
(Increase) decrease in inventories	52,364	69,674	(4,443)	110	-	117,705	(1,955)	
(Increase) decrease in prepaid insurance	-	-	-	-	-	-	(3,481)	
(Increase) decrease in deferred outflows related to pensions & OPEB	11,135	916	2,358	2,148	(3,705)	12,852	12,933	
Increase (decrease) in salaries and wages payable	181	(63)	889	(438)	450	1,019	7,411	
Increase (decrease) in accounts payable	(373,068)	(369,118)	1,306	16,871	(3,263)	(727,272)	97,489	
Increase (decrease) in deferred inflows related to pensions & OPEB	(565)	241	346	(19)	2,780	2,783	1,596	
Increase (decrease) in compensated absences payable	(27,562)	(951)	(3,162)	20,471	4,592	(6,612)	6,880	
Increase (decrease) in OPEB obligation payable	(10,199)	(633)	(674)	(2,208)	2,696	(11,018)	(24,234)	
Increase (decrease) in net pension liability payable	94,047	33,331	47,091	38,809	62,924	276,202	131,931	
Net cash provided (used by) operating activities	\$ 3,610,186	\$ 1,315,064	\$ 1,431,826	\$ 926,570	\$ (291,438)	\$ 6,992,208	\$ 93,239	

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

CITY OF WINFIELD, KANSAS

Statement of Fiduciary Net Position  
Agency Funds  
December 31, 2019

	<u>Agency Funds</u>
Assets:	
Cash including investments	\$ 27,420
Other receivables	<u>95,806</u>
Total assets	<u>123,226</u>
Liabilities	
Accounts payable	<u>123,226</u>
Net position	<u>\$ -</u>

## **CITY OF WINFIELD, KANSAS**

### **Notes to the Financial Statements December 31, 2019**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Reporting Entity**

The City of Winfield, Kansas (the City) was founded in 1869. Located in the northern half of Cowley County, the City has a population of over 12,000 living within an area of 12 square miles. The City operates under a charter adopted February 2, 1873, as a Commission/Manager form of government. The City provides a full range of municipal utility services to its citizens including electric, gas, water, wastewater and sanitation services. Other municipal services include police and fire protection, ambulance services, construction and maintenance of streets, drainage facilities and other infrastructure, recreation and cultural activities, a municipal golf course, community and industrial development, planning and zoning, building inspection, cemetery operations and maintenance, general administration and internal support services.

As required by generally accepted accounting principles, these financial statements present the City of Winfield, Kansas (primary government) and its component units, entities for which the City is considered to be financially accountable. A primary government is financially accountable if it appoints a voting majority of an organization's governing body and (1) it is able to impose its will on that organization or (2) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The component units discussed in the following paragraphs are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

##### **Discretely presented component units**

###### *Winfield Public Library*

The Winfield Public Library operates the public library in the City. The Winfield Public Library is accounted for using the same principles as the governmental fund types of the City. The City Commission appoints all Library Board members and the Library Board may not purchase or lease a site or erect a building for use of the library without the approval of the City Commission. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special revenue fund of the City. The Library Board also receives funding through state assistance programs and other sources. The Library Board issues separate financial statements and a copy can be obtained by contacting the administrative offices of the Winfield Public Library, 605 College, Winfield, Kansas 67156.

###### *Winfield Housing Authority*

The Winfield Housing Authority (Housing Authority) operates the City's housing projects. The Winfield Housing Authority is accounted for using the same principles as the business-type funds of the City. The City created the Winfield Housing Authority as its agent in 1978 under the provisions of K.S.A. 17-2340. The City Commission appoints all board members and has the ability to impose its will on the Winfield Housing Authority. Although the City does not have the authority to approve or modify the Housing Authority's operational and capital budgets, and the Housing Authority has the ability to issue bonded debt, the City is fiscally responsible for the Housing Authority since it was created as an agent of the City. The City Commission has delegated to the Housing Authority the power to operate and manage the low-rent housing projects of the City. The Housing Authority is on a June 30th fiscal year end and data included in these financial statements are for the fiscal year ended June 30, 2019. The Winfield Housing Authority issues separate financial statements and a copy can be obtained by contacting the administrative offices of the Winfield Housing Authority, 1417 Pine Terrace, Winfield,

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

### **Joint ventures**

A joint venture is a legal entity or other organization that results from a contractual arrangement (or interlocal agreement) and is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control. The participants retain (a) an on-going financial interest or, (b) an on-going financial responsibility. The City participates in the following joint ventures:

#### *Strother Field Airport and Industrial Park*

The Cities of Winfield and Arkansas City, Kansas entered into an interlocal agreement to create Strother Field Airport and Industrial Park (Strother Field). Three commissioners from both cities comprise the Strother Field governing body. The two cities jointly own Strother Field. The cities provide no financial support to Strother Field. Separate audited financial statements are available from Strother Field Airport and Industrial Park, P.O. Box 47, Winfield, Kansas 67156.

#### *Cowley County Humane Society Interlocal Agreement*

The Cities of Winfield and Arkansas City, Kansas entered into an interlocal agreement to jointly operate and fund the animal shelter. The purpose of this agreement is to provide for the continuity for the use of the Cowley County Humane Society to temporarily house, care for and disperse unwanted or stray animals. Each City and the Society shall continue to have equal one-third ownership interest in the shelter facility. Records and reporting are maintained by the Humane Society, and both cities contribute annually to the operations of the shelter and have an ongoing financial interest in the organization. Unaudited financial statements are available from the Cowley County Humane Society, 7468 222nd Road, Winfield, Kansas 67156.

#### *Arkansas City/Winfield Recycling Center*

The Cities of Winfield and Arkansas City, Kansas entered into an interlocal agreement to jointly purchase and operate a recycling center. Additionally, the City of Winfield offers single stream recycling to Winfield residents. Records are maintained by the City of Winfield and both cities share equally in the costs and recycling revenues. No separate financial statements are prepared for this joint venture. Further financial information can be obtained from the City of Winfield, 200 E. 9th Avenue, Winfield, Kansas 67516. A summary of 2019 revenues and expenses for the recycling center are as follows:

Recycling revenues	\$	71,850
Recycling expense		152,947
Depreciation Expense		3,492

### **Related organizations**

A related organization is an organization of which a primary government is not financially accountable (because it does not impose will or have a financial benefit or burden relationship) even though the primary government appoints a voting majority of that organization's governing board.

#### *William Newton Memorial Hospital*

The City Commission is responsible for appointing the Board members of the William Newton Memorial Hospital (Hospital), but the City's accountability for the Hospital does not extend beyond making appointments.

### **Basis of presentation**

The financial statements of the City have been prepared in conformity with accounting principals generally accepted in the United States of America as applied to governmental units. The *Governmental Accounting Standards Board* (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant of the City's accounting policies are described here-in.

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

### **Basis of presentation (cont.)**

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

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

The government-wide financial statements, consisting of the statement of net position and the statement of activities, report information on all the nonfiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activities has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of net position presents the financial condition of the City and its component units at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as governmental revenues.

### **Fund financial statements**

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

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

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

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



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

### **Measurement focus and basis of accounting (cont.)**

Sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes and special assessments are not available as explained in Note 1, topic *Property Taxes and Other Receivable*, and result in unavailable revenue. All other revenue items are considered measurable and available only when cash is received by the City.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus, but utilizes the accrual basis of accounting for reporting its assets and liabilities.

The City reports the following major governmental funds:

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

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

**Capital Improvements Fund** - The Capital Improvements Fund is used to account for many of the major capital improvements of the City (other than those financed in proprietary funds) and is financed primarily through on-half of the local sales tax revenues and other City transfers.

Additionally, the City reports the following major proprietary funds:

**Electric Utility Fund** - The Electric Utility Fund is used to account for the operation and maintenance of the City's electric generation and distribution system. The City purchases electricity and maintains a 65 KW generation capacity. Electric service is provided to more than 7,400 meters, both within the City and in surrounding areas, and sold wholesale to neighboring cities.

**Gas Utility Fund** - The Gas Utility Fund accounts for the operation and maintenance of the City's gas distribution system. The City purchases natural gas and provides service to approximately 5,200

**Water Utility Fund** - The Water Utility Fund is used to account for the operation and maintenance of the City's water treatment plant and the water distribution system. The Winfield City Lake provides adequate quality water supply to Winfield citizens providing water to approximately 5,200 meters. The City also provides access to water for five rural water districts and one neighboring city.

**Wastewater Utility Fund** - The Wastewater Utility Fund is used to account for the operation and maintenance of the City's wastewater collection system and wastewater treatment plant. The City collects and treats effluent of City residents providing service through the City to approximately 5,000 customers.

The City also reports the following fund types:

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

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

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

### Measurement focus and basis of accounting (cont.)

Permanent Funds - Permanent Funds are used to report an endowment restricted to the perpetual care of the municipal cemeteries.

Internal Service Funds - The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis and to account for the City's self-insurance activities.

Agency Funds - The Agency Funds are used to report resources held by the City in a custodial capacity for remittance of fiduciary resources to individuals, private organizations or other governments. The agency funds maintained by the City include the Payroll Clearing Fund to account for monies held on behalf of City employee's payroll for related payroll taxes, retirement contributions, insurance and other authorized withholdings by City employees; the Sales Tax Fund to collect and pass through sales taxes; the Flex Medical Fund to collect and pass through flexible benefit contributions; and the Fire Insurance Proceeds Fund to collect and pass through fire insurance recoveries.

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

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/due to other funds and advanced to/from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included in governmental activities are eliminated so that only the net amount is included in the governmental activities column. Similarly, balances between funds included in business-type activities are eliminated so that only the net amount is included in the business-type activities column. The City does not have a formal policy on removing internal activity on the government-wide financial

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

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

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

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

### **Measurement focus and basis of accounting (cont.)**

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

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

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

### **Cash and pooled investments**

Cash and investments of the individual funds are combined to form a pool that is managed by the Director of Finance. Each fund's equity in the pool is included in "cash and cash equivalents" in the financial statements. Cash includes amounts in demand deposits. Investments in the pooled accounts consist of certificates of deposit and money market investments backed by U.S. government securities. Investments are carried at fair value. Deposits are reported at their cost, which approximates fair value. Interest income is allocated based on management discretion and is credited to the investing fund based on their average monthly balances.

### **Cash flows statement**

For purposes of the cash flows statement, the City considers deposits of highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted cash is related to the Electric and Wastewater Depreciation Reserve funds. See note 8 for more information on these amounts.

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

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

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

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

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

### **Special assessments receivable**

As required by State statutes, projects financed in part by special assessments are financed through the issuance of general obligation bonds that are secured by the full faith and credit of the City and are retired from the City's debt service fund. Further, State statutes permit levying additional general ad valorem property taxes in the City's debt service fund to finance delinquent special assessments receivable. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate construction project. Special assessments received after the issuance of bonds are recorded as revenue in the debt service fund. Special assessment taxes are levied over a ten or fifteen-year period and the annual installments are due and payable by special assessments when delinquent assessments are two years in arrears. At December 31, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund and accrued as revenues in the statement of net position. Since they are not considered available spendable resources for the funds statement, the special assessment receivables are reported as unearned revenue in the funds statement.

### **Revenue recognition for proprietary funds**

Revenue is recorded as billed to customers on a cycle basis. Residential and commercial customers are billed monthly. The uncollected portion of billed services through December 31 and estimates of unbilled service at December 31 are reflected as accounts receivable net of amounts estimated to be uncollectible. All users, including other City departments are charged for services provided by the respective proprietary funds.

### **Inventories and prepaid expenditures**

As a general rule, inventories and prepaid expenses that benefit future periods, other than those recorded in the proprietary fund types, are recorded as expenditures during the year of purchase. Inventories of supplies are stated at cost and inventories held for resale are stated at the lower of cost or net realizable value, cost being determined by the average unit cost method. Certain prepaid payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items of government funds are recorded as expenditures when consumed rather than when purchased.

### **Capital assets**

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. For proprietary funds, interest costs incurred to bring certain assets to the condition and location necessary for their intended use are capitalized as part of the historical cost of acquiring the assets. Additionally, in situations involving the acquisition of certain assets financed with the proceeds of tax-exempt borrowing, any interest earned on related interest-bearing investments from such proceeds are offset against the related interest costs in determining either capitalization rates or limitations on the amount of interest costs to be capitalized. During 2019, the City had no interest costs subject to capitalization.

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

### **Capital assets (cont.)**

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

<b><u>Asset</u></b>	<b><u>Life/Years</u></b>
Buildings and improvements	40-50
Equipment	5-15
Vehicles	8
Meters	20-30
Asphalt and concrete streets	40-50
Sidewalk and curbs and gutters	40-50
Park/recreational infrastructure	20-30
Electric generation plans	30-35
Transformers	15-20
Electric poles	25
Conductors/related equipment	35
Gas lines/infrastructure	40-75
Water treatment plant	30-50
Water lines/infrastructure	30-65
Sewer lines/infrastructure	50-75
Lift stations	25

Amortization of capital assets acquired under lease purchase agreements is included in depreciation expense. Capital assets not being depreciated include land and construction work in process.

### **Compensated absences**

The City provides compensated absence benefits for the following:

#### *Vacation*

All permanent full-time employees of the City are eligible for vacation benefits. Employees with less than ten years employment service with the City have vacation days accumulated at the rate of one day for each month of employment, with a maximum of eighteen days. If employed ten years or more, the rate is one and one-half days per month, with a maximum accumulation of twenty-four days. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements.

#### *Sick leave*

Sick leave is accumulated at the rate of one day per month, regardless of the length of employment, with the accumulated carryover not to exceed ninety days. Accumulated sick leave is not paid to employees separating from service prior to retirement. No liability is reported in the financial statements for accrued sick leave, unless an employee is entitled to the payout due to retirement.

#### *Sick leave reserve*

Employees who have accrued the maximum ninety days of sick leave are eligible to accrue sick leave in a reserve account. Reserve sick leave is credited for twenty-five percent of each eight hours sick leave that would have been accrued had the ninety days maximum accrual not been reached. There is no maximum as to the number of reserve sick leave hours that may be accumulated and sick leave reserve hours accumulated by employees eligible for retirement are reflected as accrued liabilities in the financial statements.

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

### **Compensated absences (cont.)**

#### *Sick leave bonus*

Any permanent full-time employee who has reached the maximum ninety days sick leave accrual is eligible for the annual sick leave bonus program. For each pay period that an employee begins and ends with ninety days maximum accrued sick leave they accrue one hour's pay at their regular rate of pay. This bonus is paid out to those employees annually.

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

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgements, compensated absences, general obligation bonds and capital lease obligations that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred amounts on bond refunding's and bond premiums and discounts are being amortized on a straight-line method over the life of the related bonds in the enterprise funds and for the government-wide financial statements. Bonds payable are reported net of the applicable bond premium or discount.

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

### **Pension plans**

Substantially all full-time employees, except for police, fire and emergency medical services employees, are members of the State of Kansas Public Employee's Retirement System, which is a cost sharing multi-employer statewide-defined benefit pension plan. Police, fire and emergency medical services employees are members of the State of Kansas Police and Firemen's Retirement System, which is also a cost sharing multi-employer statewide pension plan. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually by the System's actuary.

The City of Winfield participates in a cost-sharing multiple-employer pension plan administered by the Kansas Public Employees Retirement System (KPERS). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at actuarial value.

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

### **Deferred outflows/inflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Finally, there is a deferred outflow related to pensions as actuarially determined and explained in Note 10 and other post employment benefits (OPEB) as actuarially determined and explained in Notes 11 and 12.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category. (1) The City reports amounts related to pensions and OPEB on the government-wide statement of net position as a deferred inflow of resources. For more information on the deferred inflows for pensions, see Note 10 and for OPEB, see Notes 11 and 12. (2) Under a modified accrual basis of accounting, the governmental funds and business-type activities funds report unavailable revenues from two sources as deferred inflows of resources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available and earned. (3) The deferred change on refunding is reported in the government-wide and proprietary fund statements of net position. A deferred change on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

### **Net position**

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

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

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

### **Fund balance**

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

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

### **Fund balance (cont.)**

- *Nonspendable fund balances* - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivables.
- *Restricted fund balances* - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed fund balances* - includes amounts that can be used only for a specific purpose determined by a formal action of the City Commission. The City Commission is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances approved through a majority vote by a quorum of the Commission.
- *Assigned fund balances* - the assigned portion of fund balance is comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Commission or (2) a body or official to whom the City Commission has delegated the authority to. The City Commission has delegated authority to the City Manager or Department Heads to assign amounts to be used for specific purposes. The portion of fund balance that is appropriated by the City Commission for the next year's budget that is not already restricted or committed is considered assigned. Encumbrances, which can be approved by designated senior staff, are included in the assigned fund balance.
- *Unassigned fund balances* - is the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### **Concentration of credit risk**

The City routinely grants credit to utility customers, in accordance with applicable utility rate ordinances, all of which are located within the environs of the City.

### **Risk management**

The City's insurance coverage consists of both self-insurance and policies maintained with various carriers. The City uses four internal service funds to address four risk areas, which include general risk management, worker's compensation, health insurance and short-term disability insurance. The City records liabilities for known claims and estimated liabilities for claims incurred, but not reported at year-end. These claims are reflected under accounts payable in the internal service funds.



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

### Risk management (cont.)

#### *Risk management reserve*

The City established the Risk Management Reserve Fund in 1987 in accordance with provisions of K.S.A. 12-2615. This fund provides for payment of insurance premiums, deductibles, excess liability losses, uninsured losses and insurable losses not otherwise covered. Insurance deductibles vary by type of property insurance coverage. Funding, when determined necessary, for the Risk Management Reserve Fund, is provided by annual contributions provided by an insurance consultant to the City. The City purchases commercial insurance coverage for all substantial areas of risk, including property loss, auto liability, boiler and machinery, and general and public official's liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The following is a summary of changes in liability activity under the plan for the last three years:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2017	\$ -	\$ 22,467	\$ 22,467	\$ -
2018	-	28,410	28,410	-
2019	-	77,875	77,875	-

During 2019, the City charged \$0 of unfunded Kansas Police and Firemen's Retirement System contributions to the Risk Management Reserve Fund. This liability was the result of converting certain emergency medical service personnel from the Kansas Public Employees Retirement System to the Kansas Police and Firemen's Retirement System. At December 31, 2019, Risk Management Reserve Fund cash and short-term investments of \$209,557 were held for the purpose of funding the City's future claims liabilities.

#### *Worker's Compensation Reserve*

Prior to 2011, the City maintained a partially self-funded worker's compensation program to cover substantially all full-time and part-time employees. In 2011, the City joined the Kansas Eastern Region Insurance Trust (KERIT), a self-funded insurance risk pool, and claims for 2011 and forward are handled by KERIT. KERIT is comprised of eighteen government entities within the State of Kansas. It is organized under the pooling laws of the State of Kansas, is a risk sharing pool which self-insures, up to certain limits, and reinsures additional excess amounts up to certain limits, workers' compensation and other related expenses. The City pays annual premiums to KERIT based on historical experience and legal requirements mandated by the State of Kansas and participates in management decisions as a trustee. Members of the trust may be assessed additional premiums to cover losses up to the attached point of excess coverage, and for losses in excess of the aggregate loss limit of \$5,000,000 per year. The City has not been involved in any settlements where the amounts exceeded coverage in the past three years.

#### *Health Insurance Reserve*

The City created the Health Insurance Reserve Fund in 1993 to accumulate monies to eventually fund a partially self-insured health insurance program. Resources accumulated may be used to pay excess losses, health claims, partial payments of health insurance premiums for employees, and other miscellaneous health insurance related expenses. Annual funding is provided by contributions from other funds, as determined by management in the budgeting process. Health insurance premiums are paid through this reserve fund. The employee health insurance program is a fully insured program with health insurance offered to substantially all full-time employees of the City. At December 31, 2019, the Health Insurance Reserve Fund had a net position of \$778,915 available for future health insurance premiums. The funds are being retained to stabilize projected premium increases and to provide a reserve if the City should choose to self-insure in the future.

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

### Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

### New standards

The GASB has issued the following statements, which will have an impact on the City's future financial reporting, although they are not yet required to be implemented by the City:

- GASB Statement No. 83, *Certain Asset Retirement Obligations*, issued November 2016, will be effective for the City beginning with its year ending December 31, 2020. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.
- GASB Statement No. 84, *Fiduciary Activities*, issued January 2017, will be effective for the City beginning with its year ending December 31, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.
- GASB Statement No. 87, *Leases*, issued June 2017, will be effective for the City beginning with its year ending December 31, 2022. The objective of this Statement is to improve consistency in accounting and financial reporting for leases. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying
- GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, issued April 2018, will be effective for the City beginning with its year ending December 31, 2020. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements.
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, issued June 2018, will be effective for the City beginning with its year ending December 31, 2021. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.
- GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, issued August 2018, will be effective for the City beginning with its year ending December 31, 2020. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.
- GASB Statement No. 91, *Conduit Debt Obligations*, issued May 2019, will be effective for the City beginning with its year ending December 31, 2020. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

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

### New standards (cont.)

- GASB Statement No. 92, *Omnibus 2020*, issued January 2020, will be effective for the City beginning with its year ending December 31, 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, issued March 2020, will be effective for the City beginning with its year ending December 31, 2021. The objectives of this Statement are to address other accounting and financial reporting implications that result from the replacement of an IBOR.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, issued March 2020, will be effective for the City beginning with its year ending December 31, 2022. The objectives of this Statement are to address issues related to public-private and public-public partnership arrangements. It also provides guidance for accounting and financial reporting for availability payment arrangements.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, issued May 2020, will be effective for the City beginning with its year ending December 31, 2022. The objectives of this Statement are to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users.

The City's management has not yet determined the effect these statements will have on the City's financial statements.

## 2. BUDGETARY PRINCIPLES

The City is required by state statute to legally adopt annual operating budgets for the general fund, special revenue funds (unless exempted by specific statute), debt service fund, enterprise funds and internal service funds (unless exempted by specific statute). The funds exempted from legally adopted budgets include the Ambulance and Fire Equipment Reserve, Equipment Reserve, Grants and Contributions, Barr Police Building, Capital Improvements, Risk Management Reserve, Worker's Compensation Reserve, Health Insurance Reserve and Short-term Disability Reserve Funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During 2019, there were no amendments to the budget.

## 2. BUDGETARY PRINCIPLES (CONT.)

Kansas statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management has the authority to revise line items within a department; however, changes to total appropriations at the department level must be approved by the City Commission.

All legal annual operating budgets are prepared using the cash basis of accounting, modified further by the inclusion of accounts payable and the encumbrance method of accounting. For budgetary purposes, encumbrances of the budgeted governmental fund types, representing purchase orders, contracts and other commitments, are reported as a charge to the current year budget. All unencumbered appropriations lapse at the end of the year, except for capital project funds, which are carried forward until such time as the project is completed or terminated. In addition, revenues are not recognized as revenues until their date of receipt. Also, interfund receivables and payable transactions are recognized as revenues and expenditures in the respective funds for budgetary purposes. Accordingly, actual data presented in the budgetary comparison statements can differ from the expenditure data presented in the financial statements prepared in accordance with generally accepted accounting principles. For budget purposes, fund balances are determined by deducting accounts

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

## 3. DEPOSITS AND INVESTMENTS

Kansas Statutes Annotated (K.S.A.) 9-1401 establishes the depositories that may be used by governmental entities in Kansas. The statutes 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 bank provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of Federal Depository Insurance Corporation (FDIC) coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City's formal investment policies set forth the prime objectives, in order of priority, as safety of principal, liquidity and yield. The standard of care to be used by investment officials shall be the "prudent man

### **Concentration of Credit Risk**

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of cash and investments as of December 31, 2019, is as follows:

RCB Bank	59%
Citizens Bank	5%
Union State Bank	31%
Community National Bank and Trust	5%

### **Custodial Credit Risk - Deposits**

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

### 3. DEPOSITS AND INVESTMENTS (CONT.)

At year-end, the carrying amount of the City's deposits was \$20,861,403, with the bank balances of such accounts being \$13,346,123. Of the bank balances, \$1,000,000 was covered by federal depository insurance and the remaining balance of \$12,346,123 was covered by collateral held by the City's custodial banks in joint custody in the name of the City and its banks. The fair value of those pledged securities held by the City's custodial investment agencies was \$24,914,448 at December 31,

The remaining carrying amount of the City's cash and investments at December 31, 2019, consisted of cash on hand of \$3,665.

A reconciliation of cash and investments as reported in the financial statements at December 31, 2019, is as follows:

Cash on hand	\$ 3,665
Carrying amount of deposits - City	20,861,403
Carrying amount of deposits - component unit	<u>853,465</u>
Total	<u>\$ 21,718,533</u>
Amounts per statement of net position:	
Cash including cash equivalents	\$ 16,308,837
Restricted assets	4,528,811
Component unit cash and cash equivalents	837,004
Component unit restricted assets	16,461
Cash held in fiduciary funds	<u>27,420</u>
Total	<u>\$ 21,718,533</u>

### 4. RECEIVABLES

#### Utility Receivables

A summary of the City's utility receivables (not including miscellaneous accounts receivable) at December 31, 2019, is as follows:

	Total receivables	Less provision for uncollectible accounts	Net Receivables
Electric Utility	\$ 2,972,330	\$ 536,176	\$ 2,436,154
Gas Utility	829,887	129,306	700,581
Water Utility	452,910	56,662	396,248
Wastewater Utility	208,387	49,882	158,505
Refuse	206,397	34,339	172,058
Management Service	31,281	-	31,281
Sales Tax (Agency Fund)	<u>66,640</u>	<u>-</u>	<u>66,640</u>
Totals	<u>\$ 4,767,832</u>	<u>\$ 806,365</u>	<u>\$ 3,961,467</u>

The City adjusts its reserves for uncollectible accounts based on a eight-year average. Based on this computation, the provision for uncollectible accounts was increased by \$60,438, \$10,288, \$6,381, \$4,606, and \$3,268 for the Electric Utility, Gas Utility, Water Utility, Wastewater Utility, and Refuse Funds, respectively for the year ended December 31, 2019.

#### 4. RECEIVABLES (CONT.)

##### Other Receivables

Miscellaneous accounts receivable are recorded at the full value of services provided. A provision for uncollectible accounts is established for all uncollected balances over one year old. For ambulance service billings, accounts are routinely settled for amounts less than the full rate as a result of negotiated contracts with third-party payers (insurance companies and Medicare). The provision for contractual adjustments is set up to reflect anticipated reductions in those settlements. The City has estimated the provision for contractual adjustments based on prior years' experience history. The City contracts with a third-party provider for all medical billing services including ambulance billings and

The following is a summary of accounts receivable in the governmental fund types:

	Accounts receivable	Less provision for uncollectible accounts	Less provision for contractual adjustments	Net accounts receivable
Major Funds:				
General:				
Miscellaneous	\$ 52,288	\$ 15,092	\$ -	\$ 37,196
Kansas Connecting Link	25,465	-	-	25,465
Ambulance services	<u>400,908</u>	<u>41,829</u>	<u>238,248</u>	<u>120,831</u>
Total General Fund	<u>478,661</u>	<u>56,921</u>	<u>238,248</u>	<u>183,492</u>
Nonmajor Funds:				
Special Streets	3,021	2,775	-	246
Cemetery Improvements	259	259	-	-
Stormwater Drainage	<u>16,982</u>	<u>4,100</u>	<u>-</u>	<u>12,882</u>
Total Nonmajor Funds	<u>20,262</u>	<u>7,134</u>	<u>-</u>	<u>13,128</u>
Total miscellaneous receivables	<u>\$ 498,923</u>	<u>\$ 64,055</u>	<u>\$ 238,248</u>	<u>\$ 196,620</u>

The following is a summary of miscellaneous accounts receivable in the business type activity enterprise funds:

	Total receivables	Less provision for uncollectible accounts	Net Receivables
Electric Utility	\$ 104,982	\$ 35,353	\$ 69,629
Gas Utility	8,808	6,144	2,664
Water Utility	4,142	2,910	1,232
Wastewater Utility	841	441	400
Refuse	8,214	1,109	7,105
Quail Ridge	300	-	300
Management Service	21,871	-	21,871
Risk Management Reserve	<u>15,620</u>	<u>1,700</u>	<u>13,920</u>
Totals	<u>\$ 164,778</u>	<u>\$ 47,657</u>	<u>\$ 117,121</u>

#### 4. RECEIVABLES (CONT.)

##### Long-term Receivables

The City has entered into several interlocal agreements with other local governmental entities which are related to debt financing and repayment arrangements. The City included project costs of these entities in general obligation bond issues and the interlocal agreements provide for repayment of the principal, interest and issuance costs to the City over various time periods. These receivables are included in governmental activities for the statement of net position and, because they are not considered to be available to liquidate liabilities of the current period, they are considered unearned and also reflected as a deferred inflow of resources in the Debt Service Fund in the governmental funds balance sheet. A summary of these long-term receivables is as follows:

<u>Year</u>	<u>Winfield Recreation Commission</u>	<u>William Newton Hospital</u>	<u>Total</u>
2020	\$ 50,985	\$ 229,500	\$ 280,485
2021	50,985	-	50,985
2022	50,985	-	50,985
2023	50,985	-	50,985
2024	49,440	-	49,440
	<u>\$ 253,380</u>	<u>\$ 229,500</u>	<u>\$ 482,880</u>

The Winfield Recreation Commission is a component unit of the local school district and William Newton Hospital is the local hospital.

## 5. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance January 1, 2019	Additions	Deletions	PPA	Balance December 31, 2019
<u>Governmental Activities:</u>					
Non-depreciable capital assets:					
Land	\$ 1,900,216	\$ -	\$ -	\$ -	\$ 1,900,216
Construction work in progress	-	673,067	-	-	673,067
Total non-depreciable capital assets	1,900,216	673,067	-	-	2,573,283
Depreciable capital assets:					
Buildings	9,258,250	574,492	-	-	9,832,742
Improvements other than buildings	32,394,434	1,150,094	108,136	-	33,436,392
Machinery and equipment	8,677,205	1,252,418	648,300	-	9,281,323
Leased equipment	464,464	-	-	-	464,464
Total depreciable capital assets	50,794,353	2,977,004	756,436	-	53,014,921
Accumulated depreciation:					
Buildings	4,781,319	225,667	-	-	5,006,986
Improvements other than buildings	8,900,330	609,276	-	-	9,509,606
Machinery and equipment	5,541,441	628,178	581,101	-	5,588,518
Leased equipment	164,303	86,850	-	-	251,153
Total accumulated depreciation	19,387,393	1,549,971	581,101	-	20,356,263
Total depreciable capital assets (net)	31,406,960	1,427,033	175,335	-	32,658,658
Governmental activities capital assets (net)	\$ 33,307,176	\$ 2,100,100	\$ 175,335	\$ -	\$ 35,231,941
<u>Business-Type Activities:</u>					
Non-depreciable capital assets:					
Land	\$ 830,779	\$ -	\$ -	\$ -	\$ 830,779
Construction work in progress	-	93,600	-	-	93,600
Total non-depreciable capital assets	830,779	93,600	-	-	924,379
Depreciable capital assets:					
Buildings	13,327,246	-	-	-	13,327,246
Improvements other than buildings	63,666,169	1,162,815	142,124	-	64,686,860
Machinery and equipment	30,805,075	1,022,449	731,406	-	31,096,118
Leased equipment	114,417	-	-	-	114,417
Total depreciable capital assets	107,912,907	2,185,264	873,530	-	109,224,641
Accumulated depreciation:					
Buildings	10,514,268	256,002	-	-	10,770,270
Improvements other than buildings	34,274,412	1,414,381	65,060	-	35,623,733
Machinery and equipment	23,635,877	1,013,669	569,445	-	24,080,101
Leased equipment	34,326	22,883	-	-	57,209
Total accumulated depreciation	68,458,883	2,706,935	634,505	-	70,531,313
Total depreciable capital assets (net)	39,454,024	(521,671)	239,025	-	38,693,328
Business-type activities capital assets (net)	\$ 40,284,803	\$ (428,071)	\$ 239,025	\$ -	\$ 39,617,707



## 5. CHANGES IN CAPITAL ASSETS (CONT.)

Depreciation and amortization expense was charged to the function/programs of the primary

### Governmental activities:

General government	\$ 278,746
Public safety	385,319
Public works (including depreciation of infrastructure assets)	431,618
Culture and recreation	368,095
Economic development	69,233
Cemetery	16,960
Total governmental activities depreciation and amortization expense	<u>\$ 1,549,971</u>

### Business-Type activities:

Enterprise Funds:	
Electric utility	\$ 1,408,789
Gas Utility	79,079
Water Utility	459,497
Wastewater Utility	463,497
Refuse	105,570
Quail Ridge Golf Course	41,461
Internal Service Funds:	
Management Services	88,180
Operations Center	60,863
Total business-type activities depreciation and amortization expense	<u>\$ 2,706,936</u>

## 6. LONG-TERM DEBT

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

	Outstanding January 1, 2019	Additions	Deletions	Outstanding December 31, 2019	Due Within One Year
<u>Government activities</u>					
General obligation bonds	\$ 13,145,000	\$ 6,375,000	\$ 1,165,000	\$ 18,355,000	\$ 1,308,639
Capital leases	422,439	-	31,372	391,067	29,394
Interlocal agreement debt	134,000	-	33,500	100,500	33,500
Compensated absences	408,461	223,096	197,340	434,217	194,064
Net premium on issuance of general obligation bonds	416,449	409,367	24,431	801,385	51,547
Net other postemployment benefits obligation	789,019	72,505	93,881	767,643	-
Net pension liability	<u>6,308,072</u>	<u>645,498</u>	<u>705,812</u>	<u>6,247,758</u>	<u>-</u>
Total long-term liabilities - Governmental activities	<u>\$ 21,623,440</u>	<u>\$ 7,725,466</u>	<u>\$ 2,251,336</u>	<u>\$ 27,097,570</u>	<u>\$ 1,617,144</u>
<u>Business-Type activities</u>					
General obligation bonds	\$ 3,525,000	\$ 3,075,000	\$ 3,145,000	\$ 3,455,000	\$ 276,361
Capital leases	93,475	-	8,511	84,964	8,902
Compensated absences	666,319	309,692	309,424	666,587	304,477
Net other postemployment benefits obligation	1,146,403	100,626	135,879	1,111,150	-
Net pension liability	<u>4,223,275</u>	<u>931,346</u>	<u>523,212</u>	<u>4,631,409</u>	<u>-</u>
Total long-term liabilities - Business-Type activities	<u>\$ 9,654,472</u>	<u>\$ 4,416,664</u>	<u>\$ 4,122,026</u>	<u>\$ 9,949,110</u>	<u>\$ 589,740</u>

## 6. LONG-TERM DEBT (CONT.)

### General obligation bonds

General obligation bonds payable are serial bonds to be retired through calendar year 2038. At December 31, 2019, bonds consist of the following:

	Interest rates	Bonds outstanding
General Obligation Refunding and Improvement Bonds, Series 2015-A	3.00% - 4.00%	\$ 7,225,000
Taxable General Obligation Improvement Bonds, Series B 2015	3.00% - 3.00%	475,000
General Obligation Bonds, Series 2018-A	3.00% - 4.00%	4,660,000
General Obligation Bonds, Series 2019-A	2.00% - 4.00%	9,450,000
Total general obligation bonds outstanding		21,810,000
Less: debt service from enterprise funds		(3,455,000)
Total general obligation bonds payable from debt service fund		<u>\$ 18,355,000</u>

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

<u>Year ended December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	1,308,639	607,869	1,916,508
2021	1,330,355	547,298	1,877,653
2022	1,301,188	501,605	1,802,793
2023	1,236,744	459,383	1,696,127
2024	1,285,236	417,694	1,702,930
2025-2031	6,485,825	1,997,857	8,483,682
2032-2038	4,277,058	824,152	5,101,210
2039-2045	1,129,955	122,591	1,252,546
Total	<u>\$ 18,355,000</u>	<u>\$ 5,478,449</u>	<u>\$ 23,833,449</u>

### General obligation bonds payable from enterprise funds

Remaining debt service requirements for general obligation bonds to be paid from the Water Utility Fund is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 276,361	\$ 114,797	\$ 391,158
2021	279,645	95,990	375,635
2022	313,812	84,721	398,533
2023	273,256	73,680	346,936
2024	279,764	63,269	343,033
2025-2045	2,032,162	509,651	2,541,813
Total	<u>\$ 3,455,000</u>	<u>\$ 942,108</u>	<u>\$ 4,397,108</u>

### Capitalized lease obligations

During 2015, the City Commission entered into a lease agreement for financing a Caterpillar Motor Grader. The lease agreement provides for annual payments, including interest at 2.75%, in the amount of \$17,659 and a lump-sum optional buyout payment of \$174,000 through June 2020.

During 2017, the City Commission entered into a lease agreement for the financing of two Skid-Steer Loaders for the Wastewater Department. The lease agreement provided for monthly payments in the amounts of \$4,358 and \$4,286 and a lump-sum payment of \$23,721 and \$23,420, respectively, in June 2022, including interest at 4.50%.

## 6. LONG-TERM DEBT (CONT.)

### Capitalized lease obligations (cont.)

During 2017, the City Commission entered into a lease agreement for the financing of a Skid-Steer Loader for the Refuse Department. The lease agreement provided for a monthly payment in the amount of \$4,162 and a lump-sum payment of \$22,355 in September 2022, including interest at 4.50%.

During 2017, the City Commission entered into a lease agreement for the financing of a Skid-Steer Loader for the Street Department. The lease agreement provided for a monthly payment in the amount of \$5,017 and a lump-sum payment of \$25,735 in August 2022, including interest at 4.50%.

During 2018, the City Commission entered into a lease agreement for the financing of a John Deere Loader for the Street Department. The lease agreement provided for an annual payment in the amount of \$19,000 and a lump-sum payment of \$136,800 in August 2023, including interest at 3.09%.

The Skid-Steer lease payments are being financed from the City's Special Street and Highway Fund and the Refuse Fund. The Wastewater treatment plant lease payments are being financed from the Wastewater Utility Fund.

The cost and accumulated amortization of the leased equipment is as follows:

	Governmental Activities	Business-Type Activities
Cost	\$ 464,464	\$ 114,417
Accumulated Depreciation	251,153	57,209

These leases qualify as capital leases for accounting purposes and, accordingly, have been recorded at the present value of the net minimum lease payments at the date of the lease inception. The annual requirements to amortize the capital lease obligation outstanding at December 31, 2019, including interest payments, is as follows:

Year Ending December 31,	Business-Type Funds		
	Skid-Steer Wastewater Treatment	Skid-Steer Wastewater Collection	Skid-Steer Refuse
2020	\$ 4,286	\$ 4,358	\$ 4,162
2021	4,286	4,358	4,162
2022	23,420	23,721	22,355
2023	-	-	-
Total minimum lease payments	31,992	32,437	30,679
Less amounts representing interest	(3,508)	(3,555)	(3,081)
Present value of net minimum lease payments	\$ 28,484	\$ 28,882	\$ 27,598

Year Ending December 31,	Governmental Activities			Total Leases
	Skid-Steer Street	Caterpillar Motor Grader	John Deere Loader	
2020	\$ 5,017	\$ 17,659	\$ 19,000	\$ 54,482
2021	5,017	179,046	19,000	215,869
2022	25,735	-	19,000	114,231
2023	-	-	136,800	136,800
Total minimum lease payments	35,769	196,705	193,800	521,382
Less amounts representing interest	(3,897)	(10,447)	(20,863)	(45,351)
Present value of net minimum lease payments	\$ 31,872	\$ 186,258	\$ 172,937	\$ 476,031

## 6. LONG-TERM DEBT (CONT.)

### Other long-term debt

The City entered into an interlocal agreement with the City of Arkansas City, Kansas related to construction of a countywide animal shelter. The agreement provides for the City of Winfield to make annual payments to the City of Arkansas City for an agreed-upon share of the costs. The City renewed the agreement in December 2017. The new agreement calls for annual payments of \$33,500 through December 2020. The payments under the agreement have been made from the City's General Fund.

### Compensated absences

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

### Other postemployment benefits

The governmental funds portion of the other postemployment benefit obligation (OPEB) is principally liquidated from the City's General Fund. Total expense including changes in deferred inflows and outflows for all OPEB plans for the year ended December 31, 2019 was (\$93,392).

### Net pension liability

The governmental funds portion of the net pension liability is principally liquidated from the City's General Fund. Total expense, including changes in deferred inflows and outflows for all pension plans for the year ended December 31, 2019 was \$965,309.

### Conduit debt

The City has issued limited obligation bonds for the purpose of financing capital activities of unrelated third parties. Although conduit debt obligations bear the name of the City, they are payable solely from resources provided by leases or loans with the third parties on whose behalf they were issued. The bonds do not constitute an indebtedness or pledge of the faith or credit of the City of Winfield, and accordingly, are not included as liabilities in the accompanying financial statements. There are six industrial revenue bond series outstanding at December 31, 2019. During 2019, there were \$0 new issues and \$635,000 of debt retired. The aggregate outstanding balance of Industrial Revenue Bonds was \$47,388,965 at December 31, 2019.

## 7. TEMPORARY NOTES

Kansas statutes permit the issuance of temporary notes to finance certain capital improvement projects which will be refinanced with general obligation bonds or paid through other resources available to the City. Prior to the issuance of the temporary notes, the governing body must take the necessary legal steps to authorize the issuance of general obligation bonds. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance.

At December 31, 2019, the City had the following outstanding temporary notes:

	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Maturity Date</u>
Capital Project Funds:			
General Obligation Temporary Notes			
Series 2016-2 - Hospital	2.00%	<u>\$ 870,000</u>	1/20/2020

During 2019, the temporary note activity for the various capital improvement projects were as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Defeased</u>	<u>Ending Balance</u>
<u>\$ 3,055,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,185,000</u>	<u>\$ 870,000</u>

## 8. ELECTRIC AND WASTEWATER DEPRECIATION RESERVES

Applicable state statutes permit the governing body to legally restrict a portion of operating revenue to be used for future acquisition of equipment and utility system improvements. Net position in the Electric Utility Fund in the amount of \$4,320,995 and in the Wastewater Utility Fund in the amount of \$207,816 has been reserved for the portion of assets legally restricted for future equipment acquisitions and facility

## 9. CAPITAL PROJECT FUND AUTHORIZATIONS

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

Project	Project authorizations	Expenditures project inception to December 31, 2019
Geometric KLINK Main Street	\$ 867,289	\$ 867,289
Library Parking Lot	150,000	85,180
Country Club Villa	2,552,395	984,129
2016 KLINK	260,628	260,628
Hospital Improvements	870,000	864,655
Vaughn Tennis Center Project	1,049,745	1,049,745
Public Safety Needs Study	4,776,081	521,313
2015 EMS Ambulance	250,704	205,104
12th Avenue Project	1,330,331	1,330,331
14th Avenue Bridge Project	1,716,729	1,716,729
Baden Center Building Improvements	101,081	56,992
2016 Technology Upgrades	101,081	94,377
2017 KLINK	2,906,117	387,939
2017 Pierce Fire Truck	765,506	765,506
2019 KDOT CCLIP	23,000	23,000
Water SCADA System	525,252	180,260
Water Lagoon	499,774	407,244
Street-Sweeper Truck	479,578	7,678
Lift Station	280,000	-
Refuse Truck	215,000	-

## 10. PENSION PLAN

### Plan Description

The City of Winfield participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law and administered by KPERS, a body corporate and an instrumentality of the State of Kansas. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available, stand-alone comprehensive annual financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737, or at the KPERS website at [www.kpers.org](http://www.kpers.org).

KPERS provides benefit to the following statewide pension groups under one plan, as provided by K.S.A 74 article 49:

- Public employees, which include:
  - State/School Employees
  - Local Employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the pension plan. The Statute of Kansas and Kansas schools are required to participate, while participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the pension plan for City of Winfield are included in the local employee group and the Kansas Police and Firemen group.

## **10. PENSION PLAN**

### **Benefits Provided**

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

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

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

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

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

### **Contributions**

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

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2019.

The actuarially determined employer contribution rates and the statutory contribution rates for local government employees are 8.89% and 8.89%, respectively. 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 of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members.

## 10. PENSION PLAN (CONT.)

### **Employer Allocations**

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

- State/School
- Local
- Police and Fireman
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The allocation percentages for each group as of June 30, 2019, are based on the ratio of the employer's contributions to total employer and nonemployer contributions of the group for the fiscal years ended June 30, 2019. The contributions used exclude contributions made for prior service, excess benefits and irregular payments.

### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2019, City of Winfield reported a liability of \$10,879,167 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, which was rolled forward to June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2019. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2019, the City's proportion was 0.9295% percent, which was an increase of 0.0065% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2019, rolled forward from June 30, 2019, the City recognized pension expense of \$965,309, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City contributions subsequent to the measurement date	\$ 1,015,201	\$ -
Differences between expected and actual experience	324,658	144,730
Net difference between projected and actual earnings on pension plan investments	237,122	-
Changes in assumptions	359,433	16,956
Changes in proportion	102,420	341,693
Total	<u>\$ 2,038,834</u>	<u>\$ 503,379</u>

## 10. PENSION PLAN (CONT.)

### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont.)**

The deferred outflows of resources related to pensions totaling \$1,015,201, resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year ended December 31,</u>	<u>Amount</u>
2019	\$ 366,847
2020	(34,497)
2021	86,695
2022	98,970
2023	2,239
Thereafter	-
	<u>\$ 520,254</u>

The City contributes 100% of the contributions to the pension plan, therefore, there is no revenue recognized for the support provided by nonemployer contributing entities.

### **Actuarial Assumptions**

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

- Inflation 2.75 percent
- Salary increases, including wage increases 3.50 to 12.00 percent, including inflation
- Long-term rate of return, compounded annually, net of investment expense, and including price inflation 7.75 percent

Mortality rates were based on the RP-2014 Mortality Tables with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future morality improvements are anticipated used Scale MP-2016.

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

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

- Price inflation lowered from 3.00 percent to 2.75 percent
- Investment return assumption was lowered from 8.00 percent to 7.75 percent
- General wage growth assumption was lowered from 4.00 percent to 3.5 percent
- Payroll growth assumption was lowered from 4.00 percent to 3.00 percent

There were no changes between the measurement date of December 31, 2018, rolled forward to June 30, 2019, and City of Winfield's reporting date of December 31, 2019.



## 10. PENSION PLAN (CONT.)

### Actuarial Assumptions (cont.)

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

Asset class	Long-term target allocation	Long-term expected real rate of return
Global Equity	47.00%	6.85%
Fixed Income	13.00%	1.25%
Yield Driven	8.00%	6.55%
Real Return	11.00%	1.71%
Real Estate	11.00%	5.05%
Alternatives	8.00%	9.85%
Short-term Investments	2.00%	-0.25%
Total	100.00%	

### Discount Rate

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

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

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

In addition, 2017 S Sub. For Sub. HB 2052 delayed \$64.1 million in Fiscal Year State/School contribution, to be repaid over 20 years in level dollar installments. The first year payment of \$6.4 million was received in July 2017 and appropriations for Fiscal Year 2018 are intended to fully fund the State/School group statutory contribution rate of 12.01 percent for that year. Additional legislation in the 2017 Session (S Sub for HB 2002) provided for a reduction of \$194 million from the previously certified contribution rate of 13.21 percent in the State/School contributions for Fiscal Year 2019. Like the Fiscal Year 2017 reduction, it is to be paid back over a 20 year period, beginning in Fiscal Year 2020. Therefore, both reductions will be accounted for as long-term receivables by the Pension Plan. The 2019 Legislature passed House Sub for Sen Bill 109, which directed on-behalf payment of \$56 million and \$82 million be made to the System. The \$56 million payment was received by the System on June 30, 2018, and recorded as Fiscal Year 2018 contributions. The \$82 million was received July 1, 2019, and was recorded as Fiscal Year 2019 contributions. The 2019 Legislative session passed Senate Bill 9 which authorized a transfer of \$115 million to KPERS, received in March 2019.

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

## 10. PENSION PLAN (CONT.)

### Sensitivity of City of Winfield's proportionate share of the net pension liability to changes in the discount rate

The following presents City's proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what City of Winfield's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.75%) or 1-percentage point higher (8.75%) than the current rate:

1% Decrease (6.75%)	Discount rate (7.75%)	1% Increase (8.75%)
\$15,835,824	\$10,879,167	\$6,731,365

## 11. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB)

### Plan Description

The City administers an Other Postemployment Benefits (OPEB) plan providing medical and dental benefits to retired employees and their dependents under certain conditions. The City does not issue a separate report that includes financial statements and required supplementary information for the OPEB plan.

Individuals who are employed by the City and are eligible to participate in the group medical and dental plans are eligible to continue healthcare benefits upon retirement after retiring under the KPERS or the KP&FRS. Coverage during retirement continues in the group medical and dental plans up to age 65 for current retirees. Retirees covered by the plan make contributions toward the plan premiums.

As of January 1, 2018, plan membership consisted of the following:

Retirees and beneficiaries receiving benefits	8
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	173
Total	181

### Funding Policy

The contribution requirement of plan members and the City are established and can be amended by the City's Board of Directors. Contributions are made to the plan on a pay-as-you-go basis.

### Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost (expense) consists of the service cost plus interest on total OPEB liability and changes in assumptions and inputs. The service cost is the portion of the Actuarial Present Value of OPEB benefits that is allocated to the current year by the Actuarial Cost method. The following table presents the components of the City's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the City's total OPEB obligation to the Plan.

	Dec 31, 2019
Total OPEB liability - beginning of year	\$ 1,511,697
Service cost	75,727
Interest cost	53,777
Changes in benefit terms	-
Differences between actual and expected experience	-
Changes in assumptions and inputs	-
Employer contributions (benefit payments)	(48,280)
Net changes	81,224
Net OPEB liability - end of year	\$ 1,592,921

## 11. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB) (CONT.)

### Annual OPEB Cost and Net OPEB Obligation (cont.)

The City saw no benefit changes to the disability's percentage of replacement income due to the changes from FY18 to FY19.

Changes in assumptions and other inputs FY18 to FY19 reflect the following:

- The assumed mortality was changed to the Society of Actuaries RP 2014 annuitant distinct mortality table Adjusted to 2006 with MP-2018 Full Generational Projection of Future Mortality Improvement.
- The discount rate was not changed from 3.44% in FY18 to FY19.

### Total OPEB Liability

The City's total OPEB liability of \$1,592,921 reported as of December 31, 2019 was measured as of December 31, 2019 (the measurement date), and was determined by an actuarial valuation as of January 1, 2018, using the following actuarial assumptions:

### Valuation Procedures and Discount Rate

General inflation	2.50%
Salary increases; including wage increases	3.00%
Discount rate	3.44%

The actuarial value of assets must be determined based on some recognition of the fair market value of assets. The City's obligation is unfunded at January 1, 2018. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

As an unfunded plan, the discount rate reflects the index rate for 20 year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date. The discount rate used to measure the total OPEB liability as of January 1, 2018 was 3.44%.

The financial information for the year ended December 31, 2019 is based upon a GASB 75 actuarial valuation performed as of January 1, 2018 using the participant census as of January 1, 2018.

The measurement date as selected by the City under GASB 75 Standards is December 31, 2019. The results of the valuation were projected to the beginning of year and end of year measurement dates using standard actuarial techniques.

In the December 31, 2019, actuarial valuation, the Entry Age Normal - Level Percent of Pay Actuarial Cost method was applied. The actuarial assumptions included a 3.44% investment rate of return, which is a blended rate of the expected long-term investment returns on Plan assets and on the City's pooled funds and investments. The valuation assumed annual healthcare cost trend rate of 6.00% in the first year and then decreasing by 0.50% until it reaches an ultimate rate of 5.00%. The valuation followed generally accepted actuarial methods and included tests as considered necessary to assure the accuracy of the results.

### Sensitivity of Total OPEB Liability to changes in Healthcare Cost Trend Rate

The following presents the total OPEB liability of the City as of December 31, 2019, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$1,408,299	\$1,592,921	\$1,811,163

### Sensitivity of Total OPEB Liability of changes in the Discount Rate

The following presents the total OPEB liability of the City as of December 31, 2019, calculated using the discount rate of 3.44%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.44%) or 1 percentage point higher (4.44%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$1,758,960	\$1,592,921	\$1,445,084

## 11. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB) (CONT.)

### OPEB Expense

For the year ended December 31, 2019, the City recognized OPEB expense of \$50,162, which includes the changes in the total OPEB liability, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

### Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total OPEB liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. As of December 31, 2019, and deferred inflows and outflows of resources are as follows:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience (1)	\$ 34,281	\$ -
Changes in assumptions	263,918	-
Total	<u>\$ 298,199</u>	<u>\$ -</u>

(1) Economic/demographic (gains) and losses for the period ending December 31, 2019, should be adjusted by the unamortized balance of the difference between actual and employer contributions.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an expense/(income) item in future years' OPEB expense as follows:

Year ended December 31:	Amount
2020	\$ 31,062
2021	31,062
2022	31,062
2023	31,062
2024	31,062
Thereafter	142,889

## 12. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY

### Plan Description

The City participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the plan) which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

## 12. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY (CONT.)

### **Benefits**

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

The monthly long-term disability benefit is 60% of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability to retirement benefits, workers' compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the member's previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than giving the benefit paid to the beneficiary. If a member retires or disability benefits end, the

The City has the following employees covered by the Plan as of June 30, 2019 (actuary measurement date):

Retirees and beneficiaries receiving benefits	2
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	124
Total	<u>126</u>

### **Total OPEB Liability**

At December 31, 2019, the total OPEB liability recognized by the City was \$285,873. The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2018, calculated based on the discount rate and actuarial assumptions below, and rolled forward to the measurement date as of June 30, 2018. Any significant changes during this period have been reflected as prescribed by GASB 75.

### **Actuarial Assumptions**

The financial information for the year December 31, 2019, is based upon an actuarial valuation performed as of December 31, 2018, rolled forward to June 30, 2019, using the participant census as of December 31, 2018.

The measurement date as selected by the BPU under GASB 75 Standards is June 30th. The results of the valuation were projected to the end of year measurement date using standard actuarial techniques.

Price inflation	2.75%
Salary increases, including wage increases	3.50-10.00%
Discount rate (based on the 20 year municipal bond rate with an average rating of AA/Aa or better, obtained from the index.)	3.50%

Mortality rates used for the death benefits were based on the RP-2000 Healthy Annuitant Mortality Table for Males and Females, adjusted for generational mortality improvement using Scale AA. Mortality rates used for the disability benefits were based on the RP-2000 Disabled Life Table with generational mortality improvement using Scale AA.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of an actuarial experience study conducted for three years ending December 31, 2015.

## 12. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY (CONT.)

### Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost (expense) consists of the service cost plus interest on total OPEB liability and changes in assumptions and inputs. The service cost is the portion of the Actuarial Present Value of OPEB benefits that is allocated to the current year by the Actuarial Cost method. The following table presents the components of the City's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the City's total OPEB obligation to the Plan.

	June 30, 2018
Total OPEB liability - beginning of year	\$ 423,724
Service cost	22,135
Interest cost	17,135
Changes in benefit terms	-
Differences between actual and expected experience	-
Changes in economic/demographic gains or losses	(175,230)
Changes in assumptions and inputs	4,357
Employer contributions (benefit payments)	(6,249)
Net changes	(137,852)
Net OPEB liability - end of year	\$ 285,872

The City saw no benefit changes to the disability's percentage of replacement income due to the changes from FY18 to FY19.

The discount rate was updated in accordance with the requirements of GASB 75. The change went from 3.87% to 3.50%. The mortality projection scale was updated to the most recent table published by the Society of Actuaries. The overall impact of the new assumptions is a decrease in the benefit obligations.

### Sensitivity of Total OPEB Liability to changes in Healthcare Cost Trend Rate

The following presents the total OPEB liability of the City as of June 30, 2019, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$285,873	\$285,872	\$285,873

### Sensitivity of Total OPEB Liability to changes in the Discount Rate

The following present the total OPEB liability of the City as of June 30, 2019, calculated using the discount rate of 3.50%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.50%) or 1 percentage point higher (4.50%) than the current rate.

	1% Decrease 2.5%	Current Single Discount Rate Assumption 3.50%	1% Increase 4.50%
Total OPEB Liability	\$297,359	\$285,872	\$273,927

### OPEB Expense

For the year ended December 31, 2019, the City recognized OPEB expense of (\$143,554), which includes the changes in the total OPEB liability, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

## 12. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY (CONT.)

### Deferred Outflows of Resources and Deferred Inflows of Resources

Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total OPEB liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. As of June 30, 2019 and deferred inflows and outflows of resources are as follows:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	\$ -	\$ 262,049
Changes in assumptions	-	19,356
Benefit payments subsequent to the measurement date	-	-
Total	<u>\$ -</u>	<u>\$ 281,405</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an expense/(income) item in OPEB expense as follows:

Year ended June 30:	Amount
2019	\$ 33,992
2020	33,992
2021	33,992
2022	33,992
2023	33,992
Thereafter	111,445

## 13. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan (the Plan) in accordance with Internal Revenue Code Section 457. Employees may choose between VOYA Financial 457 Plan or the ICMA Plan. The Plan, available to all city employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Assets of the Plan, values at current market values, are held in trust for the benefit of the participants.

All amounts of compensation deferred under the Plan as well as earnings attributable to those amounts, are solely the property of the participant employees. Accordingly, the assets and related liabilities for the Plan are not recorded in the accompanying financial statements. In addition, the City Commission has adopted by resolution a salary reduction flexible benefit plan (125 Plan) under Section 125 of the Internal Revenue Code. All permanent full-time employees are eligible to participate in the 125 Plan beginning after one full month of employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the 125 Plan. Benefits offered through the 125 Plan include various insurances and disability benefits.

## 14. BUDGETARY DATA

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

#### 14. BUDGETARY DATA (CONT.)

	General Fund	Debt Service Fund	Other Nonmajor Governmental Funds
GAAP Fund balance at December 31, 2019	\$ 1,314,138	\$ 1,267,282	\$ 9,148,668
Adjustments:			
Accrued sales tax revenues	(59,137)	-	-
Accrued franchise fee revenues	(34,058)	-	-
Due to(from) other funds	(20,265)	(183,277)	183,277
Other receivables	(158,027)	-	(38,593)
Land held for resale	-	-	(710,252)
Reserves for encumbrances - budgeted funds	(22,270)	-	(5,645)
Budgetary Fund Balance at December 31, 2019	<u>\$ 1,020,381</u>	<u>\$ 1,084,005</u>	<u>\$ 8,577,455</u>

#### 15. DEFINED CONTRIBUTION PLAN

The City established a 401(a) money purchase deferred compensation plan in 2004 for the benefit of City employees. Employees, who have reached the top step in their position's pay range, and make a minimum contribution of \$20 per pay period into the City sponsored 457 plan, are eligible for employer contributions into the 401(a) plan. The plan provides that the City make matching contributions, up to \$20 per pay period. The City contributed \$26,080 to employee accounts in 2019. The City of Winfield administers the plan and has the authority for establishing and amending the plan's provisions and contribution requirements. Employees have the option of investing contributions with VOYA Financial or ICMA-RC Investments.

#### 16. INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables (due to/due from funds) at December 31, 2019, were as follows:

Fund	Due To	Due From
Major Funds:		
General	\$ 20,265	\$ -
Debt Service	183,277	-
Electric Utility	55,909	-
Gas Utility	6,645	-
Water Utility	2,970	-
Wastewater Utility	4,912	-
Total major funds	<u>273,978</u>	<u>-</u>
Nonmajor Funds:		
Stormwater Drainage	-	183,277
Refuse	7,620	-
Operations Center	-	70,000
Sales Tax	-	28,321
Total nonmajor funds	<u>7,620</u>	<u>281,598</u>
	<u>\$ 281,598</u>	<u>\$ 281,598</u>

The City utilizes two internal service funds to account for utility receivables and fleet management services. Advances from the General Fund (\$20,265), Electric Utility Fund (\$27,588), Gas Utility Fund (\$6,645), Water Utility Fund (\$4,912) were used to create the internal service funds. These advances are considered long-term, and the intent is not to repay these amounts within one year.

The amount due to the Debt Service Fund is related to debt service payments actually paid by the Debt Service Fund in prior years' but were scheduled to be paid by the Stormwater Drainage Fund.



## 17. INTERFUND TRANSFERS

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

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General	\$ 3,078,020	\$ 1,405,361
Debt Service	4,103,507	9,693,052
Capital Improvements	972,525	646,251
Electric Utility	-	2,716,830
Gas Utility	-	800,587
Water Utility	-	650,615
Wastewater Utility	25,000	393,220
Total major funds	<u>8,179,052</u>	<u>16,305,916</u>
Nonmajor Funds:		
Water Preservation	44,024	8,300
Senior Citizens Facility	3,500	-
Special Liability	44,000	-
Special Streets and Highway	285,000	-
Equipment Reserve	210,000	-
Electric Depreciation	500,000	-
Short Term Disability	-	216,654
Streets - Sales Tax	-	11,200
Streetsweeper Truck	250,272	-
Stormwater Drainage	-	20,000
County Club Villa	1,009,484	16,133
Public Safety Needs Project	4,787,252	-
Lift Station	291,530	-
Water Lagoon	254,712	-
Water SCADA System	260,850	-
Refuse	228,951	214,096
Quail Ridge Golf Course	459,475	-
Total nonmajor funds	<u>8,629,050</u>	<u>486,383</u>
Capital projects	343,433	334,236
Operational services	-	25,000
	<u>\$ 17,151,535</u>	<u>\$ 17,151,535</u>

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

The General Fund received transfers from the Electric Utility, Gas Utility, Water Utility and Refuse Funds in the amounts of \$2,015,030, \$543,012, \$149,227 and \$79,097 respectively. These transfers represent in lieu of franchise taxes ranging from 4% to 6.9% of gross sales. The in lieu of taxes mirror the payment received from external utilities providing services to the City, such as telephone and cable services. All other transfers represent operational transfers, capital equipment transfers, and transfers to assist with debt service payments.

## 18. FUND DEFICITS

At December 31, 2019, the following individual funds had incurred deficits:

<u>Fund</u>	<u>Amount</u>
Hospital Improvements	\$ 864,331
Stonebrook Streets	2,139
Refuse Truck	1,623
2017 KLINK	2,447
14th Avenue Bridge	1,553

These fund deficits will be financed through the sale of bonds authorized by the City Commission, not yet sold at December 31, 2019, or through other revenue sources available to the City.

## 19. TAX ABATEMENTS

The City operates three economic development programs that qualify as tax abatements under Governmental Accounting Standards Board (GASB) No. 77. These programs include: (1) Neighborhood Revitalize Plan (NRP), (2) Economic Development Tax Exemption (EDX) and (3) Industrial Revenue Bond Exemption (IRB). NRP authority is K.S.A. 12-17,114 et. seq. EDX authority is given to local units of government in Article II, Section 13 of the Kansas Constitution. IRB exemptions authority is K.S.A. 12-1740 et. seq. Those programs as are summarized as follows.

### **Neighborhood Revitalization Programs Property Tax Abatements**

The City of Winfield Neighborhood Revitalization Plan (NRP), which was effective January 1, 2015 and approves property tax abatements in accordance with K.S.A. 79-201a Second and Twenty-Fourth and K.S.A. 12-1740 to 12-1749d, inclusive. The NRP incentive program requires that the construction of an improvement must have been commenced on or after January 1, 2015 and be located within the designated Neighborhood Revitalization Areas. The NRP program shall expire on December 31, 2020, however, the City Commission will review the program annually on or before August 15, at which time the City Commission will consider modifications and extensions. An application for tax rebate must be filed within 60 days of the issuance of a building permit. The minimum investment in an improvement is \$5,000, as determined by the building permit value, for residential, commercial and historic property. Rehabilitation, alterations and additions to any existing residential commercial and industrial structure or multi-family residential, commercial or industrial new construction, shall be eligible. The rebate period will be for a period of 7 years with the rebate amount being 75% of the increased valuation from such improvements. Single-family residential new construction is also eligible with a rebate period of 5 years at 50% of the first \$150,000 of appraised value. In addition, properties in the National, Kansas or Local Historical Register shall be eligible with a rebate period of 10 years with the rebate amount being 100%. Properties within the City of Winfield located with Cowley County are eligible. On June 1, 2015, the City Commission amended the NRP Plan to include properties within the Winfield city limits acquired by delinquent tax or mortgage foreclosures. Building permits must be issued from a minimum of \$20,000 and improvements made with 24 months after filing of the Sheriff's Deed. Eligibility will be revoked if building permit and improvement requirements are not met. Eligible properties will receive a rebate of 75% for 7 years after final project completion. Upon timely payment in full of all real estate tax and special assessments for the property, a rebate of the taxes related to the valuation improvement (less an administrative fee not to exceed 5% to be retained by Cowley County, Kansas) will be made to the property owner. Cowley County issues the rebate checks directly to the individual taxpayers. All taxing subdivisions overlapping the City of Winfield participate in this NRP program.

For the year ended December 31, 2019, the City abated property taxes totaling \$11,786 under the NRP program.

Eligible properties for economic development tax exemptions are new or existing business engaged in manufacturing articles of commerce, conducting research and development or storing goods or commodities which are sold or traded in interstate commerce.

The City's Tax Exemption Policy allows tax abatements that meet the guidelines for EDX and IRB tax exemptions under Kansas law. The City considers granting an exemption incentive upon a clear and factual showing of direct economic benefit to the City Factors considered in determining the amount and term of a tax exemption include, but are not limited to: increased employment and earnings, additional revenues from new or expanded business, types of jobs created, degree to which the business improves diversification of the economy, potential for future expansion and additional job creation, utilization of local products or materials in manufacturing and the additional direct and indirect public costs for additional infrastructure. All applications require a Cost Benefit Analysis per Kansas regulations, which can be prepared by an independent consultant or Kansas Department of Commerce.

The business is required to report any change in ownership of exempt assets which requires a new application for property tax exemption.

There is an annual requirement that the business submit an Annual Claim for Exemption from Property Taxation form with the County Appraiser. The annual review of the business report by the County is to ensure that the ownership and use of the property and any other qualifying criteria of the business for the tax exemption incentive shall continue to exist.

## 19. TAX ABATEMENTS (CONT.)

### **Economic Development Tax Exemption (EDX) and Industrial Revenue Bond (IRB) Tax Abatements**

All applications and records pertaining to a property tax exemption request shall be subject to the provisions of the Kansas Open Records Act. Any business records or information eligible to remain confidential will be kept confidential only if requested by the applicant.

The City has no provisions to recapture abated taxes if the business does not meet initial new employment or salary estimates used in the preparation of the initial Cost Benefit Analysis. If the use changes to another qualifying use the annual tax abatement will most likely continue following review of the Annual Claim for Exemption Form. The tax abatement incentive is cancelled for any business that ceases to operate or no longer is considered an eligible property.

Property tax incentives issued by the City are abated based on the new or expanded costs of improvements at 100% of the cost of the improvements. Per Kansas law, machinery and equipment placed in use by a business after June 30, 2006, is exempt from ad valorem taxes.

The City has made no commitments other than reduced taxes to business receiving tax abatement incentives.

The City negotiates property tax abatement agreements on an individual basis. The abated taxes reflect the amounts that would have been levied on behalf of the City of the 2018 tax roll to fund expenditures during the calendar year 2019 were it not for an exemption.

A summary of economic development tax abatements for 2019 is as follows:

<u>Location of Exempt Property</u>	<u>Amount</u>
EDX and IRB Tax Abatements:	
City	\$ 396,242
Other taxing entities	860,853
Total abatements	<u>\$ 1,257,095</u>

## 20. COMMITMENTS AND CONTINGENCIES

### **Electric Purchase Commitments**

The City became a member of the Kansas Power Pool (KPP), a municipal energy agency, in January 2005. KPP was created to provide economic benefits to its member cities, through coordination of collective electrical resources, facilities and loads. The City has power supply contracts with the Kansas Municipal Energy Agency (KMEA) for power supply from the Grand River Dam Authority (GRDA). The scheduling responsibilities for those contracts and the City's contract with the Southwestern Power Administration (SPA) have been assigned to KPP. That agency manages power supply on behalf of the City. The contracts with KMEA for GRDA Power were in force through December 31, 2015, KPP has entered into transmission arrangements with the Southwest Power Pool on behalf of the City. The City terminated its SPA power supply arrangement from KMEA in 2010 and entered into a contract directly with SPA. This contract is in force through May 31, 2025. In September 2012 the city entered into a twenty-year power purchase contract with KPP, to purchase all of the City's required electrical power. That contract was amended in June 2017 to provide a commitment to purchase power and energy and the associated transmission service not to exceed 40 years.

The payment and scheduling responsibilities under all these contracts have all been assigned to KPP and all billings and payments are handled through KPP. Payment responsibility for each of these contracts remains with the City for the full term of each contract and would be under the respective contract conditions should the City withdraw from KPP.

### **Natural Gas Purchase Commitments**

The City entered into a contract with the Kansas Municipal Gas Agency (KMGA) in February 2014 to purchase its entire gas requirements from and through KMGA for the term of the agreement. The contract provides that the City may provide for alternative supplies not to exceed 35% of its total annual gas supply. The contract provides for a year-to-year term until terminated by either party giving at least a 1-year written notice to the other party.

## 21. FUND BALANCE DISCLOSURE

The nonspendable balance of \$20,625 in the General Fund represents the amount from the General Fund to an internal service fund to create the beginning balance of the internal service fund. This balance is not intended to be repaid in the near future.

The nonspendable balance of \$6,083 in the Cemetery Endowment Fund are funds donated to the Endowment and are permanent in nature. Only the income can be spent, unless authorized by the Commission for specific improvements.

At December 31, 2019, the City had the following significant contractual or purchase commitments that were outstanding and encumbered against available resources:

<u>Fund</u>	<u>Encumbered for</u>	<u>Amount</u>
Electric	Repairs/Maintenance	\$ 244,091
Risk Management	Turbine tech services	135,712
Public Safety Needs Study	Public safety project	175,119

## 22. SUBSEQUENT EVENTS

In recent weeks, the coronavirus (COVID-19) outbreak in the United States has resulted in reduced customer traffic and the temporary closure of operating hours for our offices. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the City as of the date of this report, management believes that a material impact on the City's financial position and results of future operations is reasonably possible.

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF WINFIELD

Schedule of Changes in the Net OPEB Liability - Healthcare  
For the Year Ended December 31, 2019

	Last 10 Fiscal Years									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability - Beginning of year	<u>\$ 1,511,697</u>	<u>\$ 1,072,835</u>	For 2010 to 2017, this data is not yet available.							
Service Cost	75,727	73,521	For 2010 to 2017, this data is not yet available.							
Interest Cost	53,777	51,039	For 2010 to 2017, this data is not yet available.							
Changes in Benefit Terms	-	-	For 2010 to 2017, this data is not yet available.							
Differences between actual and expected experience	-	41,424	For 2010 to 2017, this data is not yet available.							
Changes in assumptions and inputs	-	318,900	For 2010 to 2017, this data is not yet available.							
Employer contributions	<u>(48,280)</u>	<u>(46,022)</u>	For 2010 to 2017, this data is not yet available.							
Net Changes	<u>81,224</u>	<u>438,862</u>	For 2010 to 2017, this data is not yet available.							
Total OPEB Liability - End of year	<u>\$ 1,592,921</u>	<u>\$ 1,511,697</u>	For 2010 to 2017, this data is not yet available.							

\* For December 31, 2018, GASB 75 was implemented. The information for years 2010-2017 is not available under the measurement requirements of GASB 75.

CITY OF WINFIELD

Schedule of the Total OPEB Liability as a Percentage of Covered Employee Payroll - Healthcare  
For the Year Ended December 31, 2019

	Last 10 Fiscal Years									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability	\$ 1,592,921	\$ 1,511,697	For 2010 to 2017, this data is not yet available.							
Fiduciary net position	-	-	For 2010 to 2017, this data is not yet available.							
Net OPEB liability	<u>\$ 1,592,921</u>	<u>\$ 1,511,697</u>	For 2010 to 2017, this data is not yet available.							
Fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	For 2010 to 2017, this data is not yet available.							
Covered payroll	\$ 8,776,769	\$ 8,521,135	For 2010 to 2017, this data is not yet available.							
Net OPEB liability as a percentage of covered payroll	18.15%	17.74%	For 2010 to 2017, this data is not yet available.							

\* For December 31, 2018, GASB 75 was implemented. The information for years 2010-2017 is not available under the measurement requirements of GASB 75.

CITY OF WINFIELD

Schedule of Changes in the Net OPEB Liability - KPERs Death and Disability  
For the Year Ended December 31, 2019

	Last 10 Fiscal Years*									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability - Beginning of year	\$ 423,724	\$ 559,525	For 2010 to 2017, this data is not yet available.							
Service Cost	22,136	22,046	For 2010 to 2017, this data is not yet available.							
Interest Cost	17,135	20,118	For 2010 to 2017, this data is not yet available.							
Changes in Benefit Terms	-	-	For 2010 to 2017, this data is not yet available.							
Differences between actual and expected experience	(175,230)	(132,092)	For 2010 to 2017, this data is not yet available.							
Changes in assumptions and inputs	4,357	(6,312)	For 2010 to 2017, this data is not yet available.							
Employer contributions	(6,249)	(39,561)	For 2010 to 2017, this data is not yet available.							
Net Changes	(137,851)	(135,801)	For 2010 to 2017, this data is not yet available.							
Total OPEB Liability - End of year	\$ 285,873	\$ 423,724	For 2010 to 2017, this data is not yet available.							

\* For December 31, 2018, GASB 75 was implemented. The information for years 2010-2017 is not available under the measurement requirements of GASB 75.



CITY OF WINFIELD

Schedule of the Total OPEB Liability as a Percentage of Covered Employee Payroll - KPERS Death and Disability  
For the Year Ended December 31, 2019

	Last 10 Fiscal Years*									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability	\$ 285,873	\$ 423,724	For 2010 to 2017, this data is not yet available.							
Fiduciary net position	-	-	For 2010 to 2017, this data is not yet available.							
Net OPEB liability	<u>\$ 285,873</u>	<u>\$ 423,724</u>	For 2010 to 2017, this data is not yet available.							
Fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	For 2010 to 2017, this data is not yet available.							
Covered payroll	\$ 6,286,818	\$ 6,143,092	For 2010 to 2017, this data is not yet available.							
Net OPEB liability as a percentage of covered payroll	4.55%	6.90%	For 2010 to 2017, this data is not yet available.							

\* For December 31, 2018, GASB 75 was implemented. The information for years 2010-2017 is not available under the measurement requirements of GASB 75.

CITY OF WINFIELD, KANSAS

Schedule of City's Proportionate Share of the Net Pension Liability  
For the Year Ended December 31, 2019

Kansas Public Employees Retirement System  
Last 10 Fiscal Years\*

	2019	2018	2017	2016	2015
<u>Local</u>					
City's proportionate percentage of the net pension liability	0.38209%	0.38257%	0.38608%	0.38485%	0.34185%
City's proportionate share of the net pension liability	\$ 5,339,234	\$ 5,332,208	\$ 5,592,197	\$ 5,953,805	\$ 4,488,598
City's covered payroll	\$ 6,738,782	\$ 6,647,838	\$ 6,605,786	\$ 6,773,665	\$ 6,609,246
City's proportionate share of the net pension liability as a percentage of its covered payroll	79.23%	80.21%	84.66%	87.90%	67.91%
Plan fiduciary net position as a percentage of the total pension liability	75.02%	74.22%	72.15%	68.55%	71.98%
<u>Police and Firemen</u>					
City's proportionate percentage of the net pension liability	0.54736%	0.54034%	0.58177%	0.59448%	0.69902%
City's proportionate share of the net pension liability	\$ 5,539,933	\$ 5,199,141	\$ 5,455,754	\$ 5,521,321	\$ 5,075,730
City's covered employee payroll	\$ 2,930,906	\$ 2,745,990	\$ 2,678,286	\$ 2,758,488	\$ 2,675,888
City's proportionate share of the net pension liability as a percentage of its covered payroll	189.02%	189.34%	203.70%	200.16%	189.68%
Plan fiduciary net position as a percentage of the total pension liability	71.22%	71.53%	70.99%	69.30%	74.60%

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

CITY OF WINFIELD, KANSAS

Schedule of City's Contributions  
For the Year Ended December 31, 2019

Kansas Public Employees Retirement System  
Last 10 Fiscal Years\*

<u>Local</u>	2019	2018	2017	2016	2015
Contractually required contribution	\$ 711,635	\$ 635,073	\$ 583,687	\$ 620,385	\$ 650,603
Contributions in relation to the contractually required contribution	<u>(711,635)</u>	<u>(635,073)</u>	<u>(583,687)</u>	<u>(620,385)</u>	<u>(650,603)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered employee payroll	\$ 6,995,351	\$ 6,574,849	\$ 6,535,786	\$ 6,705,665	\$ 6,538,246
Contributions as a percentage of covered payroll	10.17%	9.66%	8.93%	9.25%	9.95%
<u>Police and Firemen</u>					
Contractually required contribution	\$ 656,064	\$ 661,858	\$ 614,203	\$ 678,363	\$ 705,623
Contributions in relation to the contractually required contribution	<u>(656,064)</u>	<u>(661,858)</u>	<u>(614,203)</u>	<u>(678,363)</u>	<u>(705,623)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 2,963,952	\$ 2,880,147	\$ 2,812,286	\$ 2,891,488	\$ 2,807,888
Contributions as a percentage of covered payroll	22.13%	22.98%	21.84%	23.46%	25.13%

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

CITY OF WINFIELD, KANSAS

Notes to Required Supplementary Information  
For the Year Ended December 31, 2019

**Other Post Employment Benefits - Healthcare**

**Changes in benefit terms:**

There are no changes in benefits.

**Changes in assumptions:**

Changes in assumptions and other inputs FY18 to FY19 reflect the following:

- The assumed mortality was changed to the Society of Actuaries RP 2014 annuitant distinct mortality table Adjusted to 2006 with MP-2018 Full Generational Projection of Future Mortality Improvement.
- The discount rate was not changed from 3.44% in FY18 to FY19.

**Other Post Employment Benefits - KPERS Death and Disabilities**

**Changes in benefit terms:**

There are no changes in benefits.

**Changes in assumptions:**

Changes in assumptions and other inputs FY18 to FY19 reflect the following:

- The discount rate was updated in accordance with the requirements of GASB 75. The change went from 3.87% to 3.50%. The mortality projection scale was updated to the most recent table published by the Society of Actuaries. The overall impact of the new assumptions is a decrease in the benefit obligations.

**Defined Benefit Pension Plan**

**Changes in benefit terms:**

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

**Changes in assumptions:**

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

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

**COMBINING FINANCIAL STATEMENTS  
AND  
INDIVIDUAL FUND SCHEDULES**

## CITY OF WINFIELD, KANSAS

### GOVERNMENTAL FUNDS

#### NONMAJOR SPECIAL REVENUE FUNDS

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

**Flood Control** - to account for maintenance costs of the flood levee.

**Special Parks and Recreation** - to account for park and recreation upgrades. Financing is provided through one-third of the 10% gross receipts tax on the sale of alcoholic liquor, which is a statewide alcohol liquor tax.

**Special Alcohol** - to account for expenditures of drug and alcohol education, treatment and prevention services for City residents. Financing is provided through one-third of the 10% gross receipts tax on the sale of alcoholic liquor, which is a statewide alcohol liquor tax.

**Law Enforcement Trust** - to account for the net proceeds of sale of forfeited property and moneys related to controlled substances activities. The enabling statute defines allowable expenditures.

**Water Preservation** - established in 2004 to provide funding for programs to protect the upstream quality of water flowing into the Winfield City Lake, the primary water source for the City. A portion of the lake permit fees and two cents for every one thousand gallons of water billed provide the revenue sources for this fund.

**Senior Citizens Facility** - to account for the operations of the Senior Center activities. Financing is provided from appropriations from the Cowley County Council on Aging and other sources.

**Special Liability** - to account for City employee legal defense costs and various uninsured risk costs as provided by applicable statutes. Financing is provided by a specific tax levy.

**Ambulance and Fire Equipment Reserve** - used to account for the resources to be used for the replacement of ambulance or emergency service equipment. Financing is provided by transfers from other City funds.

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

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

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

**Fairgrounds Improvements** - to account for Cowley County Fairgrounds maintenance and improvement expenditures. Financing is provided by fairgrounds facility usage fees.

**Cemetery Improvements** - Cemetery operations and maintenance expenditures are paid from this fund with one-third of sales proceeds of each cemetery space and pre-need payments providing the funding for this fund.

**Library** - to account for the City's tax levy funding of the operation of the Winfield Public Library. Financing is provided by a specific tax levy.

**Equipment Reserve** - to account for the resources provided by other City funds to provide for future equipment purchases.

**Grants and Contributions** - to account for federal and state grants and contributions from private enterprise for general government type projects.

**Alcohol and Drug Safety Action** - to account for assessment fees collected by the Municipal Court for alcohol and drug related charges, as established by state statutes. Resources can only be used for court expenditures involved in administering the provisions of the related statute.

**Barr Police Building** - The City received a \$542,972 bequest in 2015 restricted for use of police improvements.

**Streets - Sales Tax** - to account for the .4% cent sales tax approved by the voters of the city beginning July 1, 2014 and ending June 30, 2021 to be used for library, street and other capital improvements. The first \$600,000 of sales tax collections is committed to library improvements with 50% of the remaining collections allocated to the library, to a maximum of \$900,000, with the remaining resources for the specified City purposes.

**Baseball Complex Maintenance Reserve** - to track the revenues and expenses associated with the Broadway Complex Facility Lease Agreement between the City, USD 465, Southwestern College and the Winfield Rec Commission.

**CDBG** - to account for housing rehabilitation of approximately 15 rental units occupied by qualifying low to moderate income families.

**Stormwater Drainage** - established in 1996 to fund major drainage projects throughout the City. Financing is provided through stormwater drainage fees charges to City utility customers.

#### NONMAJOR CAPITAL PROJECT FUNDS

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

**Geometric KLINK Main Street** - to account for the costs of a street resurfacing project on a main traffic way of the City. The Kansas Department of Transportation (KDOT) provides funding for a portion of the project with the balance to be financed through the issuance of general obligation bonds.

**Library Parking Lot Improvements** - to account for the costs of renovating the parking lot at the Winfield Public Library with financing to be provided from the issuance of general obligation bonds.

**2016 Capital Equipment** - to account for the proceeds from debt financing of certain equipment purchases.

**2016 KLINK** - to account for the costs of a street resurfacing project on a main traffic way of the City. KDOT provides funding for a portion of the project with the balance to be financed through the issuance of general obligation bonds.

**Hospital Improvements** - to account for facility improvements at the William Newton Memorial Hospital with financing to be provided through the issuance of general obligation bonds to be repaid by the hospital through a financing agreement with the City.

**Vaughn Tennis Center Project** - to account for the improvements to the tennis center facilities located on the south end of Whittier Elementary School. The City entered into an agreement with the Winfield Unified School District No. 465, Southwestern College and the Winfield Recreation Commission to expand and improve the tennis center.

**Public Safety Needs Study** - to account for a project authorized by the City Commission in 2015 to determine the long-term solution for police, fire and ambulance facilities.

**2015 EMS Ambulance** - to account for the financing of a new ambulance to be financed from the issuance of general obligation bonds or other resources available to the City.

**12th Avenue Project** - to account for infrastructure improvements for a portion of 12th Avenue to be financed from the issuance of general obligation bonds and other resources available to the City.

**County Club Villa** - to account for future sewer line expansion to areas surrounding the Winfield Country Club. Financing to be provided from the issuance of general obligation bonds.

**Stonebrook Streets** - to account for the capital project funds for a housing development in progress.

**Stonebook Sewer** - to account for the capital project funds for a housing development in progress.

**Stonebrook Water** - to account for the capital project funds for a housing development in progress.

**Lift Station** - to account for the upgrades to the 4th street Lift Station for the wastewater department.

**Refuse Truck** - to account for the purchase of a Refuse truck.

**Baden Center Building Improvements** - to account for improvements to the Baden Center building to be financing from the issuance of general obligation bonds and other resources available to the City.

**2016 Technology Upgrades** - to account for the purchase of technology equipment imaging upgrades to be financed from the issuance of general obligation bonds and other resources available to the City.

**2017 KLINK** - to account for the costs of a street resurfacing project on a main traffic way of the City. KDOT provides funding for a portion of the project with the balance to be financed through the issuance of general obligation bonds.

**2017 Pierce Fire Truck** - to account for the costs of purchasing a new fire truck to be financed from the issuance of general obligation bonds and other resources.

**14th Avenue Bridge** - The Capital Projects Fund is used to account for the 14th Avenue bridge improvements with KDOT providing the funding for a portion of the project with the balance to be financed through the issuance of general obligation bonds.

**2019 KDOT CCLIP Project** - to account for the costs of infrastructure improvements to U.S. 77 from 11th St. to 19th St. KDOT provides funding for a portion of the project with the balance to be financed through other resources available.

**Water SCADA System** - to account for the costs to update the computer data control system for the water treatment plant. Financed through temporary notes to be redeemed by general obligation bonds in 2019.

**Water Lagoon** - to account for the costs for the construcion of a sludge dewatering lagoon at the water plant. Financed through temporary notes to be redeemed by general obligation bonds in 2019.

**Street-Sweeper Truck** - to account for the costs of purchasing a new Elgin street sweeper truck. Financed through temporary notes to be redeemed by general obligation bonds in 2019.

#### PERMANENT FUNDS

**Cemetery Endowment** - the fund is an endowment from a citizen and prohibits the use of the principal and only the investment earnings can be used for cemetery improvements.



CITY OF WINFIELD, KANSAS

Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2019

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery Endowment	Total All Nonmajor Governmental Funds
<b>Assets:</b>				
Cash including short-term investments	\$ 3,007,266	\$ 5,493,622	\$ 6,083	\$ 8,506,971
Accounts receivable	38,593	-	-	38,593
Property tax receivable	645,019	-	-	645,019
Land held for resale	710,252	-	-	710,252
<b>Total assets</b>	<b>\$ 4,401,130</b>	<b>\$ 5,493,622</b>	<b>\$ 6,083</b>	<b>\$ 9,900,835</b>
<b>Liabilities, Deferred Inflows and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,628	\$ 274,909	\$ -	\$ 276,537
Accrued payroll and accrued liabilities	13,581	-	-	13,581
Due to other funds	183,277	-	-	183,277
Temporary notes payable	-	870,000	-	870,000
<b>Total liabilities</b>	<b>198,486</b>	<b>1,144,909</b>	<b>-</b>	<b>1,343,395</b>
<b>Deferred Inflows of Resources:</b>				
Property taxes receivable	645,019	-	-	645,019
<b>Fund Balances:</b>				
Nonspendable	-	-	6,083	6,083
<b>Restricted:</b>				
General government	4,541	-	-	4,541
Public safety	581,665	-	-	581,665
Stormwater drainage improvements	222,322	-	-	222,322
Public works	323,235	-	-	323,235
Culture and recreation	118,680	-	-	118,680
Health and welfare	26,177	-	-	26,177
Economic development	787,566	-	-	787,566
Levee maintenance	30,190	-	-	30,190
Street improvements	677,765	-	-	677,765
Equipment acquisition	341,997	-	-	341,997
<b>Committed:</b>				
Water quality programs	199,133	-	-	199,133
Fairgrounds improvements	182,176	-	-	182,176
Cemetery improvements	62,178	-	-	62,178
<b>Assigned:</b>				
Capital projects	-	4,348,713	-	4,348,713
Unassigned	-	-	-	-
<b>Total fund balances</b>	<b>3,557,625</b>	<b>4,348,713</b>	<b>6,083</b>	<b>7,912,421</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 4,401,130</b>	<b>\$ 5,493,622</b>	<b>\$ 6,083</b>	<b>\$ 9,900,835</b>

CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
Year Ended December 31, 2019

	Special Revenue Funds	Capital Projects Funds	Permanent Fund Cemetery Endowment	Total All Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 660,453	\$ -	\$ -	\$ 660,453
Sales taxes	731,379	-	-	731,379
Intergovernmental	1,180,427	184,167	-	1,364,594
Charges for services	165,503	-	-	165,503
Use of money and property	70,683	47,154	95	117,932
Sale of equipment	215	-	-	215
Miscellaneous	89,457	122,531	-	211,988
Total revenues	<u>2,898,117</u>	<u>353,852</u>	<u>95</u>	<u>3,252,064</u>
Expenditures:				
Current:				
General government	341,327	-	-	341,327
Public safety	4,041	172,472	-	176,513
Public works	2,057,348	1,214,127	-	3,271,475
Culture and recreation	586,803	11,649	-	598,452
Health and welfare	26,203	-	-	26,203
Economic development	69,239	-	-	69,239
Cemetery	2,054	-	-	2,054
Debt service	41,582	-	-	41,582
Total expenditures	<u>3,128,597</u>	<u>1,398,248</u>	<u>-</u>	<u>4,526,845</u>
Expenditures over revenues	<u>(230,480)</u>	<u>(1,044,396)</u>	<u>95</u>	<u>(1,274,781)</u>
Other Financing Sources (Uses):				
Transfers in	586,524	7,083,051	-	7,669,575
Transfers out	(39,500)	(6,935)	-	(46,435)
Total other financing sources (uses)	<u>547,024</u>	<u>7,076,116</u>	<u>-</u>	<u>7,623,140</u>
Net change in fund balances	316,544	6,031,720	95	6,348,359
Fund balances (deficit), beginning of year	<u>3,241,081</u>	<u>(1,683,007)</u>	<u>5,988</u>	<u>1,564,062</u>
Fund balances (deficit), end of year	<u>\$ 3,557,625</u>	<u>\$ 4,348,713</u>	<u>\$ 6,083</u>	<u>\$ 7,912,421</u>

CITY OF WINFIELD, KANSAS

Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2019

	Flood Control	Special Parks and Recreation	Special Alcohol Program	Law Enforcement Trust	Water Preservation	Senior Citizens Facility	Special Liability	Ambulance And Fire Equipment Reserve	Special Streets and Highway	Industrial Development	Convention and Tourism
<b>Assets:</b>											
Cash and short-term investments	\$ 30,190	\$ 104,194	\$ 25,569	\$ 34,813	\$ 199,133	\$ 14,486	\$ 4,541	\$ -	\$ 313,143	\$ 10,501	\$ 66,380
Accounts receivable	-	-	-	-	-	-	-	-	25,711	-	-
Property taxes receivable	-	-	-	-	-	-	158,623	-	-	-	-
Land held for resale	-	-	-	-	-	-	-	-	-	710,262	-
<b>Total assets</b>	<b>\$ 30,190</b>	<b>\$ 104,194</b>	<b>\$ 25,569</b>	<b>\$ 34,813</b>	<b>\$ 199,133</b>	<b>\$ 14,486</b>	<b>\$ 163,164</b>	<b>\$ -</b>	<b>\$ 338,854</b>	<b>\$ 720,763</b>	<b>\$ 66,380</b>
<b>Liabilities, Deferred Inflows and Fund Balances</b>											
<b>Liabilities:</b>											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,061	\$ -	\$ (433)
Wages payable	-	-	23	-	-	-	-	-	13,558	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,619</b>	<b>-</b>	<b>(433)</b>
<b>Deferred inflows of resources:</b>											
Property taxes receivable	-	-	-	-	-	-	158,623	-	-	-	-
<b>Fund Balances:</b>											
<b>Restricted:</b>											
General government	-	-	-	-	-	-	4,541	-	-	-	-
Public safety	-	-	-	34,813	-	-	-	-	-	-	-
Stormwater drainage improvements	-	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	323,235	-	-
Culture and recreation	-	104,194	-	-	-	14,486	-	-	-	-	-
Health and welfare	-	-	25,546	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	720,763	66,813
Levee maintenance	30,190	-	-	-	-	-	-	-	-	-	-
Equipment acquisition	-	-	-	-	-	-	-	-	-	-	-
Committed:	-	-	-	-	-	-	-	-	-	-	-
Street improvements	-	-	-	-	-	-	-	-	-	-	-
Water quality programs	-	-	-	-	199,133	-	-	-	-	-	-
Fairgrounds improvements	-	-	-	-	-	-	-	-	-	-	-
Cemetery improvements	-	-	-	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>30,190</b>	<b>104,194</b>	<b>25,546</b>	<b>34,813</b>	<b>199,133</b>	<b>14,486</b>	<b>4,541</b>	<b>-</b>	<b>323,235</b>	<b>720,763</b>	<b>66,813</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 30,190</b>	<b>\$ 104,194</b>	<b>\$ 25,569</b>	<b>\$ 34,813</b>	<b>\$ 199,133</b>	<b>\$ 14,486</b>	<b>\$ 163,164</b>	<b>\$ -</b>	<b>\$ 338,854</b>	<b>\$ 720,763</b>	<b>\$ 66,380</b>

Combining Balance Sheet  
Nonmajor Special Revenue Funds (continued)  
December 31, 2019

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CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
Year Ended December 31, 2019

	Flood Control	Special Parks and Recreation	Special Alcohol Program	Law Enforcement Trust	Water Preservation	Senior Citizens Facility	Special Liability	Ambulance And Fire Equipment Reserve	Special Streets and Highway	Industrial Development	Convention and Tourism
<b>Revenues:</b>											
Property taxes	-	\$ -	\$ -	\$ -	-	\$ -	\$ 109,403	\$ -	\$ -	\$ 3,194	\$ -
Sales taxes	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental revenues	-	23,424	23,424	-	-	5,500	-	-	776,733	-	77,284
Charges for services	-	-	-	-	-	-	-	-	-	-	720
Use of money and property	571	17,714	385	528	2,806	219	655	-	5,857	1,380	922
Sale of equipment	215	-	-	-	-	-	-	-	-	-	-
Miscellaneous	2	21,451	1,200	1,295	-	1,510	-	-	15,687	-	-
<b>Total revenues</b>	<b>788</b>	<b>62,589</b>	<b>25,009</b>	<b>1,823</b>	<b>2,806</b>	<b>7,229</b>	<b>110,058</b>	<b>-</b>	<b>798,277</b>	<b>4,574</b>	<b>78,936</b>
<b>Expenditures:</b>											
<b>Current:</b>											
General government	-	-	-	-	-	-	172,975	-	-	65	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Public works	10,607	-	-	-	-	-	-	-	1,041,657	-	-
Culture and recreation	-	23,002	-	-	-	8,285	-	-	-	-	-
Health and welfare	-	-	26,203	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	3,596	65,643
Cemetery	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	41,582	-	-
<b>Total expenditures</b>	<b>10,607</b>	<b>23,002</b>	<b>26,203</b>	<b>-</b>	<b>-</b>	<b>8,285</b>	<b>172,975</b>	<b>-</b>	<b>1,083,239</b>	<b>3,661</b>	<b>65,643</b>
<b>Revenues over (under) expenditures</b>	<b>(9,819)</b>	<b>39,587</b>	<b>(1,194)</b>	<b>1,823</b>	<b>2,806</b>	<b>(1,056)</b>	<b>(62,917)</b>	<b>-</b>	<b>(284,962)</b>	<b>913</b>	<b>13,293</b>
<b>Other Financing Sources (Uses):</b>											
Transfers in	-	-	-	-	44,024	3,500	44,000	-	285,000	-	-
Transfers out	-	-	-	-	(8,300)	-	-	-	-	-	-
<b>Total other financing sources (uses):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,724</b>	<b>3,500</b>	<b>44,000</b>	<b>-</b>	<b>285,000</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(9,819)</b>	<b>39,587</b>	<b>(1,194)</b>	<b>1,823</b>	<b>38,530</b>	<b>2,444</b>	<b>(18,917)</b>	<b>-</b>	<b>38</b>	<b>913</b>	<b>13,293</b>
<b>Fund balances, beginning of year</b>	<b>40,009</b>	<b>64,607</b>	<b>26,740</b>	<b>32,990</b>	<b>160,603</b>	<b>12,042</b>	<b>23,458</b>	<b>-</b>	<b>323,197</b>	<b>719,840</b>	<b>53,520</b>
<b>Fund balances, end of year</b>	<b>\$ 30,190</b>	<b>\$ 104,194</b>	<b>\$ 25,546</b>	<b>\$ 34,813</b>	<b>\$ 199,133</b>	<b>\$ 14,486</b>	<b>\$ 4,541</b>	<b>\$ -</b>	<b>\$ 323,235</b>	<b>\$ 720,753</b>	<b>\$ 66,813</b>

CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds (continued)  
Year Ended December 31, 2019

	Fairgrounds Improvements	Cemetery Improvement	Library	Equipment Reserve	Grants and Contributions	Alcohol and Drug Safety Action	Barr Police Building	Streets Sales Tax	CDBG	Baseball Complex Maintenance Reserve	Stormwater Drainage	Total Nonmajor Special Revenue Funds
Revenues:												
Property taxes	\$ -	\$ -	\$ 547,856	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 660,453
Sales taxes	-	-	-	-	-	-	-	731,379	-	-	-	731,379
Intergovernmental revenues	-	-	-	-	-	-	-	126,023	135,288	-	-	1,180,427
Charges for services	14,141	-	-	-	-	-	-	-	-	-	12,741	165,503
Use of money and property	2,810	7,582	-	2,439	629	10	9,339	11,465	-	19	5,353	70,683
Sale of equipment	-	-	-	-	-	-	-	-	-	-	-	215
Miscellaneous	-	750	-	-	11,366	-	-	-	28,196	8,000	-	89,457
Total revenues	16,951	8,332	547,856	2,439	11,995	10	9,339	868,867	163,484	8,019	168,736	2,898,117
Expenditures:												
Current:												
General government	-	-	-	-	-	-	-	-	168,287	-	-	341,327
Public safety	-	-	-	-	4,041	-	-	-	-	-	-	4,041
Public works	-	-	-	-	-	-	-	955,547	-	-	49,537	2,057,348
Culture and recreation	7,660	-	547,856	-	-	-	-	-	-	-	-	586,803
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	26,203
Economic development	-	-	-	-	-	-	-	-	-	-	-	69,239
Cemetery	-	2,054	-	-	-	-	-	-	-	-	-	2,054
Debt service	-	-	-	-	-	-	-	-	-	-	-	41,582
Total expenditures	7,660	2,054	547,856	-	4,041	-	-	955,547	168,287	-	49,537	3,128,597
Revenues over (under) expenditures	9,291	6,278	-	2,439	7,954	10	9,339	(86,680)	(4,803)	8,019	119,199	(230,480)
Other Financing Sources (Uses):												
Transfers in	-	-	-	210,000	-	-	-	-	-	-	-	586,524
Transfers out	-	-	-	-	-	-	-	(11,200)	-	-	(20,000)	(39,500)
Total other financing sources (uses)	-	-	-	210,000	-	-	-	(11,200)	-	-	(20,000)	547,024
Net change in fund balance	9,291	6,278	-	212,439	7,954	10	9,339	(97,880)	(4,803)	8,019	99,199	316,544
Fund balances, beginning of year	172,885	55,900	-	82,070	39,534	621	537,513	767,626	4,803	-	123,123	3,241,081
Fund balances, end of year	\$ 182,176	\$ 62,178	\$ -	\$ 294,509	\$ 47,488	\$ 631	\$ 546,852	\$ 669,746	\$ -	\$ 8,019	\$ 222,322	\$ 3,557,625

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Flood Control Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Interest earnings	\$ 300	\$ 300	\$ 571	\$ 271
Sale of equipment	-	-	215	215
Miscellaneous	-	-	2	2
Total revenues	300	300	788	488
Expenditures and encumbrances:				
Personal services	-	-	3,726	3,726
Contractual services	10,250	10,250	-	(10,250)
Commodities	5,000	5,000	6,881	1,881
Total expenditures and encumbrances	15,250	15,250	10,607	(4,643)
Revenues over (under) expenditures	(14,950)	(14,950)	(9,819)	5,131
Fund balance, beginning of year	24,771	24,771	40,009	15,238
Fund balance, end of year	\$ 9,821	\$ 9,821	\$ 30,190	\$ 20,369

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Special Parks and Recreation Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 23,424	\$ (1,576)
Rent	15,200	15,200	16,386	1,186
Interest earnings	850	850	1,328	478
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>21,451</u>	<u>20,451</u>
Total revenues	<u>42,050</u>	<u>42,050</u>	<u>62,589</u>	<u>20,539</u>
Expenditures and encumbrances:				
Commodities	-	-	6,529	6,529
Capital outlay	-	-	16,473	16,473
Contingency	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>
Total expenditures and encumbrances	<u>40,000</u>	<u>40,000</u>	<u>23,002</u>	<u>(16,998)</u>
Revenues over (under) expenditures	2,050	2,050	39,587	37,537
Fund balance, beginning of year	<u>4,560</u>	<u>4,560</u>	<u>64,607</u>	<u>60,047</u>
Fund balance, end of year	<u>\$ 6,610</u>	<u>\$ 6,610</u>	<u>\$ 104,194</u>	<u>\$ 97,584</u>



CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Special Alcohol Program Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 23,424	\$ (1,576)
Interest earnings	250	250	385	135
Miscellaneous	2,000	2,000	1,200	(800)
Total revenues	27,250	27,250	25,009	(2,241)
Expenditures and encumbrances:				
Personal services	33,525	33,525	26,203	(7,322)
Commodities	190	190	-	(190)
Total expenditures and encumbrances	33,715	33,715	26,203	(7,512)
Revenues over (under) expenditures	(6,465)	(6,465)	(1,194)	5,271
Fund balance, beginning of year	24,036	24,036	26,740	2,704
Fund balance, end of year	\$ 17,571	\$ 17,571	\$ 25,546	\$ 7,975

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Law Enforcement Trust Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Interest earnings	\$ 300	\$ 300	\$ 528	\$ 228
Miscellaneous	500	500	1,295	795
Total revenues	800	800	1,823	1,023
Expenditures and encumbrances:				
Capital outlay	30,000	30,000	-	(30,000)
Revenues over (under) expenditures	(29,200)	(29,200)	1,823	31,023
Fund balance, beginning of year	31,120	31,120	32,990	1,870
Fund balance, end of year	\$ 1,920	\$ 1,920	\$ 34,813	\$ 32,893

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Water Preservation Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Interest earnings	\$ 1,000	\$ 1,000	\$ 2,806	\$ 1,806
Transfer In	<u>48,200</u>	<u>48,200</u>	<u>44,024</u>	<u>(4,176)</u>
Total revenues	<u>49,200</u>	<u>49,200</u>	<u>46,830</u>	<u>(2,370)</u>
Expenditures and encumbrances:				
Contractual services	32,000	32,000	-	(32,000)
Transfer out	8,300	8,300	8,300	-
Miscellaneous	<u>200</u>	<u>200</u>	<u>-</u>	<u>(200)</u>
Total expenditures and encumbrances	<u>40,500</u>	<u>40,500</u>	<u>8,300</u>	<u>(32,200)</u>
Revenues over (under) expenditures	8,700	8,700	38,530	29,830
Fund balance, beginning of year	<u>146,614</u>	<u>146,614</u>	<u>160,603</u>	<u>13,989</u>
Fund balance, end of year	<u>\$ 155,314</u>	<u>\$ 155,314</u>	<u>\$ 199,133</u>	<u>\$ 43,819</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Senior Citizens Facility Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,000	\$ 4,000	\$ 5,500	\$ 1,500
Interest earnings	75	75	219	144
Miscellaneous	1,500	1,500	1,510	10
Transfer In	-	-	3,500	3,500
Total revenues	<u>5,575</u>	<u>5,575</u>	<u>10,729</u>	<u>5,154</u>
Expenditures and encumbrances:				
Contractual services	<u>8,340</u>	<u>8,340</u>	<u>8,285</u>	<u>(55)</u>
Revenues over (under) expenditures	(2,765)	(2,765)	2,444	5,209
Fund balance, beginning of year	<u>6,006</u>	<u>6,006</u>	<u>12,042</u>	<u>6,036</u>
Fund balance, end of year	<u>\$ 3,241</u>	<u>\$ 3,241</u>	<u>\$ 14,486</u>	<u>\$ 11,245</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Special Streets and Highway Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Intergovernmental	\$ 375,120	\$ 375,120	\$ 751,268	\$ 376,148
Interest Earnings	5,000	5,000	5,857	857
Miscellaneous	1,550	1,550	15,570	14,020
Transfers In	<u>285,000</u>	<u>285,000</u>	<u>285,000</u>	<u>-</u>
Total revenues	<u>666,670</u>	<u>666,670</u>	<u>1,057,695</u>	<u>391,025</u>
Expenditures and encumbrances:				
Personal services	431,563	431,563	428,235	(3,328)
Contractual services	41,660	41,660	1,627	(40,033)
Commodities	259,087	259,087	249,118	(9,969)
Capital outlay	157,362	157,362	367,073	209,711
Principal	-	-	31,372	31,372
Interest	<u>-</u>	<u>-</u>	<u>10,210</u>	<u>10,210</u>
Total expenditures and encumbrances	<u>889,672</u>	<u>889,672</u>	<u>1,087,635</u>	<u>197,963</u>
Revenues over (under) expenditures	(223,002)	(223,002)	(29,940)	193,062
Fund balance, beginning of year	<u>286,927</u>	<u>286,927</u>	<u>321,818</u>	<u>34,891</u>
Fund balance, end of year	<u>\$ 63,925</u>	<u>\$ 63,925</u>	<u>\$ 291,878</u>	<u>\$ 227,953</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Special Liability Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 110,860	\$ 110,860	\$ 109,403	\$ (1,457)
Interest Earnings	500	500	655	155
Transfer In	75,000	75,000	44,000	(31,000)
Total revenues	186,360	186,360	154,058	(32,302)
Expenditures and encumbrances:				
Commodities	160,000	160,000	163,635	3,635
Capital outlay	70,000	70,000	7,055	(62,945)
Other	1,360	1,360	2,285	925
Total expenditures and encumbrances	231,360	231,360	172,975	(58,385)
Revenues over (under) expenditures	(45,000)	(45,000)	(18,917)	26,083
Fund balance, beginning of year	45,000	45,000	23,458	(21,542)
Fund balance, end of year	\$ -	\$ -	\$ 4,541	\$ 4,541

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Industrial Development Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 3,178	\$ 3,178	\$ 3,194	\$ 16
Miscellaneous	75	75	1,380	1,305
Total revenues	3,253	3,253	4,574	1,321
Expenditures and encumbrances:				
Contractual services	534	534	-	(534)
Capital outlay	1,400	1,400	3,596	2,196
Other	134	134	65	(69)
Contingency	4,732	4,732	-	(4,732)
Total expenditures and encumbrances	6,800	6,800	3,661	(3,139)
Revenues over (under) expenditures	(3,547)	(3,547)	913	4,460
Fund balance, beginning of year	3,547	3,547	9,588	6,041
Fund balance, end of year	\$ -	\$ -	\$ 10,501	\$ 10,501

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Convention and Tourism Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Intergovernmental	\$ 90,000	\$ 90,000	\$ 77,294	\$ (12,706)
Interest earnings	275	275	922	647
Miscellaneous	-	-	720	720
	<u>90,275</u>	<u>90,275</u>	<u>78,936</u>	<u>(11,339)</u>
Total revenues				
Expenditures and encumbrances:				
Contractual services	24,885	24,885	19,321	(5,564)
Commodities	2,115	2,115	1,029	(1,086)
Capital outlay	5,500	5,500	975	(4,525)
Other	55,000	55,000	44,318	(10,682)
	<u>87,500</u>	<u>87,500</u>	<u>65,643</u>	<u>(21,857)</u>
Total expenditures and encumbrances				
Revenues over (under) expenditures	2,775	2,775	13,293	10,518
Fund balance, beginning of year	<u>48,051</u>	<u>48,051</u>	<u>53,520</u>	<u>5,469</u>
Fund balance, end of year	<u>\$ 50,826</u>	<u>\$ 50,826</u>	<u>\$ 66,813</u>	<u>\$ 15,987</u>



CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Fairgrounds Improvement Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 14,000	\$ 14,000	\$ 14,141	\$ 141
Interest earnings	<u>1,200</u>	<u>1,200</u>	<u>2,810</u>	<u>1,610</u>
Total revenues	<u>15,200</u>	<u>15,200</u>	<u>16,951</u>	<u>1,751</u>
Expenditures and encumbrances:				
Capital outlay	25,000	25,000	7,522	(17,478)
Contingency	<u>50,000</u>	<u>50,000</u>	<u>138</u>	<u>(49,862)</u>
Total expenditures and encumbrances	<u>75,000</u>	<u>75,000</u>	<u>7,660</u>	<u>(67,340)</u>
Revenues over (under) expenditures	(59,800)	(59,800)	9,291	69,091
Fund balance, beginning of year	<u>109,898</u>	<u>109,898</u>	<u>172,885</u>	<u>62,987</u>
Fund balance, end of year	<u>\$ 50,098</u>	<u>\$ 50,098</u>	<u>\$ 182,176</u>	<u>\$ 132,078</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Cemetery Improvements Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Sale of lots	\$ 5,000	\$ 5,000	\$ 6,641	\$ 1,641
Interest earnings	500	500	941	441
Miscellaneous	100	100	750	650
Total revenues	5,600	5,600	8,332	2,732
Expenditures and encumbrances:				
Commodities	31,500	31,500	2,054	(29,446)
Revenues over (under) expenditures	(25,900)	(25,900)	6,278	32,178
Fund balance, beginning of year	47,001	47,001	55,900	8,899
Fund balance, end of year	\$ 21,101	\$ 21,101	\$ 62,178	\$ 41,077

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Library Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 555,459	\$ 555,459	\$ 547,856	\$ (7,603)
Expenditures and encumbrances:				
Appropriations to Library Board	547,250	547,250	536,070	(11,180)
Other	8,209	8,209	11,786	3,577
Total expenditures and encumbrances	555,459	555,459	547,856	(7,603)
Revenues over (under) expenditures	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual - Budgetary Basis  
 Alcohol and Drug Safety Action Fund  
 Year Ended December 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest earnings	\$ 3	\$ 3	\$ 10	\$ 7
Expenditures and encumbrances:				
Commodities	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
Revenues over (under) expenditures	(97)	(97)	10	107
Fund balance, beginning of year	<u>515</u>	<u>515</u>	<u>621</u>	<u>106</u>
Fund balance, end of year	<u>\$ 418</u>	<u>\$ 418</u>	<u>\$ 631</u>	<u>\$ 213</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Street - Sales Tax Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 775,000	\$ 775,000	\$ 731,379	\$ (43,621)
Intergovernmental	-	-	126,023	126,023
Interest earnings	-	-	11,465	11,465
Total revenues:	<u>775,000</u>	<u>775,000</u>	<u>868,867</u>	<u>93,867</u>
Expenditures and encumbrances:				
Capital outlay	1,000,000	1,000,000	756,092	(243,908)
Transfer out	<u>11,200</u>	<u>11,200</u>	<u>11,201</u>	<u>1</u>
Total expenditures and encumbrances:	<u>1,011,200</u>	<u>1,011,200</u>	<u>767,293</u>	<u>(243,907)</u>
Revenues over (under) expenditures	(236,200)	(236,200)	101,574	337,774
Fund balance, beginning of year	<u>391,518</u>	<u>391,518</u>	<u>568,172</u>	<u>176,654</u>
Fund balance, end of year	<u>\$ 155,318</u>	<u>\$ 155,318</u>	<u>\$ 669,746</u>	<u>\$ 514,428</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Stormwater Drainage Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 151,000	\$ 151,000	\$ 150,819	\$ (181)
Intergovernmental	-	-	12,741	12,741
Interest earnings	2,500	2,500	5,353	2,853
Total revenues	153,500	153,500	168,913	15,413
Expenditures and encumbrances:				
Contractual services	88,044	88,044	42,806	(45,238)
Commodities	59,850	59,850	6,731	(53,119)
Transfers out	20,000	20,000	20,000	-
Total expenditures and encumbrances	167,894	167,894	69,537	(98,357)
Revenues over (under) expenditures	(14,394)	(14,394)	99,376	113,770
Fund balance, beginning of year	246,250	246,250	293,342	47,092
Fund balance, end of year	\$ 231,856	\$ 231,856	\$ 392,718	\$ 160,862

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Debt Service Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 661,827	\$ 661,827	\$ 650,961	\$ (10,866)
Special assessments	236,443	236,443	241,418	4,975
Intergovernmental	305,827	305,827	279,885	(25,942)
Interest earnings	5,000	5,000	13,256	8,256
Debt proceeds	-	-	9,793,264	9,793,264
Miscellaneous	50,000	50,000	-	(50,000)
Transfers in	1,535,186	1,535,186	1,581,463	46,277
Total revenues	2,794,283	2,794,283	12,560,247	9,765,964
Expenditures and encumbrances:				
Debt principal	2,020,000	2,020,000	1,820,000	(200,000)
Debt interest	361,423	361,423	504,833	143,410
Other	489,000	489,000	14,027	(474,973)
Debt issuance costs	761,513	761,513	77,896	(683,617)
Contingency	-	-	47,250	47,250
Transfers out	-	-	9,686,116	9,686,116
Total expenditures and encumbrances	3,631,936	3,631,936	12,150,122	8,518,186
Revenues over (under) expenditures	(837,653)	(837,653)	410,125	1,247,778
Fund balance, beginning of year	837,653	837,653	626,630	(211,023)
Fund balance, end of year	\$ -	\$ -	\$ 1,036,755	\$ 1,036,755

CITY OF WINFIELD, KANSAS

Combining Balance Sheet  
Nonmajor Capital Project Funds  
December 31, 2019

	Geometric KLINK Main Street	Library Parking Lot Improvements	2016 Capital Equipment	2016 KLINK	Hospital Improvements	Vaughn Tennis Center Project	Public Safety Needs Study	2015 EMS Ambulance
Assets:								
Cash and short-term investments	\$ -	\$ -	\$ -	\$ -	\$ 10,869	\$ 93,360	\$ 5,052,873	\$ -
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,200	\$ -	\$ 13,333	\$ -
Temporary notes payable	-	-	-	-	870,000	-	-	-
Total liabilities	-	-	-	-	875,200	-	13,333	-
Fund balances (deficit):								
Assigned:								
Capital projects	-	-	-	-	(864,331)	93,360	5,039,540	-
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ -	\$ 10,869	\$ 93,360	\$ 5,052,873	\$ -



CITY OF WINFIELD, KANSAS

Combining Balance Sheet  
Nonmajor Capital Project Funds (Continued)  
December 31, 2019

	12th Avenue Project	Country Club Villa	Stonebrook Streets	Stonebrook Sewer	Stonebrook Water	Lift Station	Refuse Truck	Baden Center Building Improvements
Assets:								
Cash and short-term investments	\$ -	\$ -	\$ 23,061	\$ 15,026	\$ 18,282	\$ 5,398	\$ 225,553	\$ 49,200
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ 25,200	\$ -	\$ -	\$ -	\$ 227,176	\$ -
Temporary notes payable	-	-	-	-	-	-	-	-
Total liabilities	-	-	25,200	-	-	-	227,176	-
Fund balances (deficit):								
Assigned:								
Capital projects	-	-	(2,139)	15,026	18,282	5,398	(1,623)	49,200
Total liabilities and fund balances	\$ -	\$ -	\$ 23,061	\$ 15,026	\$ 18,282	\$ 5,398	\$ 225,553	\$ 49,200

CITY OF WINFIELD, KANSAS

Combining Balance Sheet  
Nonmajor Capital Project Funds (Continued)  
December 31, 2019

	2016 Technology Upgrades	2017 KLINK	2017 Pierce Fire Truck	14th Avenue Bridge	2019 KDOT CCLIP Project	Water SCADA System	Water Lagoon	Street- Sweeper Truck	Total Nonmajor Capital Project Funds
Assets:									
Cash and short-term investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,493,622
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ 2,447	\$ -	\$ 1,553	\$ -	\$ -	\$ -	\$ -	\$ 274,909
Temporary notes payable	-	-	-	-	-	-	-	-	870,000
Total liabilities	-	2,447	-	1,553	-	-	-	-	1,144,909
Fund balances (deficit):									
Assigned:									
Capital projects	-	(2,447)	-	(1,553)	-	-	-	-	4,348,713
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,493,622

CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Project Funds  
December 31, 2019

	Geometric KLINK Main Street	Library Parking Lot Improvements	2016 Capital Equipment	2016 KLINK	Hospital Improvements	Vaughn Tennis Center Project	Public Safety Needs Study	2015 EMS Ambulance
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	-	5	169	-	34,711	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	-	-	-	5	169	-	34,711	-
Expenditures:								
General government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	172,472	-
Public works	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	172,472	-
Revenues over (under) expenditures	-	-	-	5	169	-	(137,761)	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	4,787,252	-
Transfers out	337,293	(64,820)	(8,461)	(38)	-	-	-	(22)
Total other financing sources (uses)	337,293	(64,820)	(8,461)	(38)	-	-	4,787,252	(22)
Net change in fund balance	337,293	(64,820)	(8,461)	(33)	169	-	4,649,491	(22)
Fund balances (deficit), beginning of year	(337,293)	64,820	8,461	33	(864,500)	93,360	390,049	22
Fund balances (deficit), end of year	\$ -	\$ -	\$ -	\$ -	\$ (864,331)	\$ 93,360	\$ 5,039,540	\$ -

# CITY OF WINFIELD, KANSAS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Project Funds (Continued) December 31, 2019

	12th Avenue Project	Country Club Villa	Stonebrook Streets	Stonebrook Sewer	Stonebrook Water	Lift Station	Refuse Truck	Baden Center Building Improvements
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -
Interest income	-	3,437	161	26	32	1,641	1,377	871
Miscellaneous	-	111,031	-	-	-	-	-	-
Total revenues	-	114,468	161	20,026	20,032	1,641	1,377	871
Expenditures:								
General government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Public works	-	212,246	2,300	5,000	1,750	287,773	231,951	-
Culture and recreation	-	-	-	-	-	-	-	11,649
Total expenditures	-	212,246	2,300	5,000	1,750	287,773	231,951	11,649
Revenues over (under) expenditures	-	(97,778)	(2,139)	15,026	18,282	(286,132)	(230,574)	(10,778)
Other financing sources (uses):								
Transfers in	-	1,009,484	-	-	-	291,530	228,951	-
Transfers out	2,621	(16,133)	-	-	-	-	-	-
Total other financing sources (uses)	2,621	993,351	-	-	-	291,530	228,951	-
Net change in fund balance	2,621	895,573	(2,139)	15,026	18,282	5,398	(1,623)	(10,778)
Fund balances (deficit), beginning of year	(2,621)	(895,573)	-	-	-	-	-	59,978
Fund balances (deficit), end of year	\$ -	\$ -	\$ (2,139)	\$ 15,026	\$ 18,282	\$ 5,398	\$ (1,623)	\$ 49,200

CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Project Funds (Continued)  
December 31, 2019

	2016 Technology Upgrades	2017 KLINK	2017 Pierce Fire Truck	14th Avenue Bridge	2019 KDOT CCLIP Project	Water SCADA System	Water Lagoon	Street- Sweeper Truck	Total Nonmajor Capital Project Funds
Revenues:									
Intergovernmental	\$ -	\$ -	\$ -	\$ 144,167	\$ -	\$ -	\$ -	\$ -	\$ 184,167
Interest income	-	-	23	2,330	-	520	132	1,719	47,154
Miscellaneous	-	-	-	-	11,500	-	-	-	122,531
Total revenues	-	-	23	146,497	11,500	520	132	1,719	353,852
Expenditures:									
General government	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	172,472
Public works	-	-	-	-	-	172,078	52,559	248,470	1,214,127
Culture and recreation	-	-	-	-	-	-	-	-	11,649
Total expenditures	-	-	-	-	-	172,078	52,559	248,470	1,398,248
Revenues over (under) expenditures	-	-	23	146,497	11,500	(171,558)	(52,427)	(246,751)	(1,044,396)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	262	2,424	(122)	(260,332)	-	260,850	254,712	250,272	7,083,051
						120	712	(439)	(6,935)
Total other financing sources (uses)	262	2,424	(122)	(260,332)	-	260,970	255,424	249,833	7,076,116
Net change in fund balance	262	2,424	(99)	(113,835)	11,500	89,412	202,997	3,082	6,031,720
Fund balances (deficit), beginning of year	(262)	(4,871)	99	112,282	(11,500)	(89,412)	(202,997)	(3,082)	(1,683,007)
Fund balances (deficit), end of year	\$ -	\$ (2,447)	\$ -	\$ (1,553)	\$ -	\$ -	\$ -	\$ -	\$ 4,348,713

## CITY OF WINFIELD, KANAS

### ENTERPRISE FUNDS

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

**Electric Utility** - to account for the operations and maintenance of the City's electric generation and distribution system. The City purchases electricity and maintains a 65 KW generation capacity. Electric service is provided to approximately 7,500 meters both within the City and in surrounding areas, and sold wholesale to neighboring towns. Financing is provided by user charges.

**Gas Utility** - to account for the operations and maintenance of the City's gas distribution system. The City purchases natural gas and provides service to approximately 5,200 customers. Financing is provided by user charges.

**Water Utility** - to account for the operation and maintenance of the City's water treatment plan and water distribution system. The Winfield City Lake provides adequate quality water supply to Winfield citizens providing water to approximately 5,200 meters. The City also provides water to five rural water districts and one neighboring town. Financing is provided by user charges.

**Wastewater Utility** - to account for the operation and maintenance of the City's wastewater collection system and wastewater treatment plan. The City collects and treats effluent of City residents providing service to approximately 5,000 households. Financing is provided by user charges.

**Refuse** - to account for revenues and expenses related to the operation and maintenance of the refuse collection and recycling programs operated by the City. All activities necessary to provide such services are account for into his fund, including but not limited to, administration, operations and maintenance, financing and related debt service, and capital improvements. In addition, a prorata portion of administration, utility billings and collection expenses are charged to this fund from the Management Services Fund. Financing is provided by user charges.

**Quail Ridge Golf Course** - to account for the operation and maintenance of the City's eighteen hole golf course owned and operated by the City. The golf course revenues consist of memberships, round fees, cart rentals and driving range fees.

Combining Statement of Net Position  
Nonmajor Enterprise Funds  
December 31, 2019

	Refuse	Quail Ridge Golf Course	Total All Nonmajor Enterprise Funds
<b>Assets:</b>			
Cash including short-term investments	\$ 340,829	\$ 11,258	\$ 352,087
Accounts receivable	179,163	300	179,463
Inventories	-	25,458	25,458
<b>Total current assets</b>	<b>519,992</b>	<b>37,016</b>	<b>557,008</b>
<b>Noncurrent Assets:</b>			
Land	3,503	399,949	403,452
Buildings	60,157	514,206	574,363
Improvements other than buildings	-	2,535,375	2,535,375
Machinery and equipment	1,662,045	463,613	2,125,658
Less accumulated depreciation	(1,042,187)	(3,073,404)	(4,115,591)
Leased equipment	37,172	-	37,172
Less accumulated amortization	(18,586)	-	(18,586)
<b>Total noncurrent assets</b>	<b>702,104</b>	<b>839,739</b>	<b>1,541,843</b>
<b>Other Assets:</b>			
Advance to other funds	7,620	-	7,620
Investment in joint venture	63,750	-	63,750
<b>Total other assets</b>	<b>71,370</b>	<b>-</b>	<b>71,370</b>
<b>Total assets</b>	<b>1,293,466</b>	<b>876,755</b>	<b>2,170,221</b>
<b>Deferred Outflows of Resources:</b>			
Deferred outflows related to pensions	50,302	30,871	81,173
Deferred outflows related to OPEB	10,637	6,302	16,939
<b>Total deferred outflows of resources</b>	<b>60,939</b>	<b>37,173</b>	<b>98,112</b>
<b>Current Liabilities:</b>			
Accounts payable	38,527	19,682	58,209
Accrued wages payable	15,647	9,239	24,886
Current portion of compensated absences payable	18,394	12,784	31,178
Current portion of long-term lease payable	2,894	-	2,894
<b>Total current liabilities</b>	<b>75,462</b>	<b>41,705</b>	<b>117,167</b>
<b>Noncurrent Liabilities:</b>			
Long-term portion of accrued compensated absences payable	20,712	6,087	26,799
Long-term portion of capitalized lease obligations	24,704	-	24,704
Net OPEB obligation payable	67,021	39,705	106,726
Net pension liability	268,409	164,726	433,135
<b>Total noncurrent liabilities</b>	<b>380,846</b>	<b>210,518</b>	<b>591,364</b>
<b>Total liabilities</b>	<b>456,308</b>	<b>252,223</b>	<b>708,531</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to pensions	12,420	7,622	20,042
Deferred inflows related to OPEB	10,038	5,947	15,985
<b>Total deferred inflows of resources</b>	<b>22,458</b>	<b>13,569</b>	<b>36,027</b>
<b>Net Position:</b>			
Net investment in capital assets	674,506	839,739	1,514,245
Unrestricted	201,133	(191,603)	9,530
<b>Total net position</b>	<b>\$ 875,639</b>	<b>\$ 648,136</b>	<b>\$ 1,523,775</b>

## CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenses and Changes in Net Position  
Nonmajor Enterprise Funds  
Year Ended December 31, 2019

	Refuse	Quail Ridge Golf Course	Total Nonmajor Enterprise Funds
Operating Revenues:			
Charges for services and sales	\$ 1,495,274	\$ 274,455	\$ 1,769,729
Other	66	33	99
Total operating revenues	<u>1,495,340</u>	<u>274,488</u>	<u>1,769,828</u>
Operating Expenses			
Services and supplies	1,341,046	747,287	2,088,333
Depreciation	<u>105,570</u>	<u>41,461</u>	<u>147,031</u>
Total operating expenses	<u>1,446,616</u>	<u>788,748</u>	<u>2,235,364</u>
Revenues over (under) expenses	48,724	(514,260)	(465,536)
Nonoperating Revenues (Expenses):			
Interest income	8,035	-	8,035
Interest expense	(1,395)	-	(1,395)
Gain (loss) on sale of equipment	(33,117)	(2,208)	(35,325)
Loss on joint venture	<u>(3,474)</u>	<u>-</u>	<u>(3,474)</u>
Total nonoperating revenues (expenses)	<u>(29,951)</u>	<u>(2,208)</u>	<u>(32,159)</u>
Income (loss) before transfers	18,773	(516,468)	(497,695)
Transfers in	-	459,475	459,475
Transfers out	<u>(214,097)</u>	<u>-</u>	<u>(214,097)</u>
Change in net position	(195,324)	(56,993)	(252,317)
Net position, beginning of year	<u>1,070,963</u>	<u>705,129</u>	<u>1,776,092</u>
Net position, end of year	<u>\$ 875,639</u>	<u>\$ 648,136</u>	<u>\$ 1,523,775</u>



CITY OF WINFIELD, KANSAS

Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
Year Ended December 31, 2019

	Refuse	Quail Ridge Golf Course	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Receipts from customers	\$ 1,455,580	\$ 274,455	\$ 1,730,035
Other receipts	66	320	386
Payments to suppliers and providers	(525,628)	(306,908)	(832,536)
Payments to employees for salaries and benefits	(484,181)	(369,609)	(853,790)
Cash payments for interfund services	(302,365)	(33,168)	(335,533)
Net cash provided by (used in) operations	143,472	(434,910)	(291,438)
Cash flows from capital and related financing activities:			
Debt service principal	(2,767)	-	(2,767)
Interest paid on debt and capital lease	(1,395)	-	(1,395)
Acquisition of capital assets	(266,263)	(29,559)	(295,822)
Net cash provided (used) by capital and related financing activities	(270,425)	(29,559)	(299,984)
Cash flows noncapital financing activities:			
Transfers in	-	459,475	459,475
Transfers out	(214,097)	-	(214,097)
Net cash provided (used) for noncapital financing activities	(214,097)	459,475	245,378
Cash flows from investing activities:			
Interest income	8,035	-	8,035
Net increase (decrease) in cash and cash equivalents	(333,015)	(4,994)	(338,009)
Cash and cash equivalents, beginning of year	673,844	16,252	690,096
Cash and cash equivalents, end of year	\$ 340,829	\$ 11,258	\$ 352,087
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 48,724	\$ (514,260)	\$ (465,536)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	105,570	41,461	147,031
(Increase) decrease in accounts receivable	(39,694)	287	(39,407)
(Increase) decrease in deferred outflows of resources related to pensions & OPEB	338	(4,043)	(3,705)
(Increase) decrease in accounts payable	(1,374)	(1,889)	(3,263)
(Increase) decrease in accrued wages payable	681	(231)	450
(Increase) decrease in compensated absences payable	648	3,944	4,592
(Increase) decrease in deferred inflows of resources related to pensions & OPEB	885	1,895	2,780
(Increase) decrease in OPEB liability payable	(38)	2,734	2,696
(Increase) decrease in net pension liability payable	27,732	35,192	62,924
Net cash provided (used) by operating activities	\$ 143,472	\$ (434,910)	\$ (291,438)

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Electric Utility Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 28,573,000	\$ 28,573,000	\$ 26,929,900	\$ (1,643,100)
Use of money and property	15,000	15,000	16,940	1,940
Miscellaneous	86,600	86,600	86,281	(319)
Total revenues	28,674,600	28,674,600	27,033,121	(1,641,479)
Expenditures and encumbrances:				
Personal services	2,194,141	2,194,141	2,137,508	(56,633)
Contractual services	656,598	656,598	643,217	(13,381)
Commodities	2,326,743	2,326,743	1,924,196	(402,547)
Purchased energy	20,400,000	20,400,000	18,598,914	(1,801,086)
Capital outlay	610,000	610,000	495,676	(114,324)
Miscellaneous	21,150	21,150	27,271	6,121
Transfers out	2,946,450	2,946,450	2,716,830	(229,620)
Total expenditures and encumbrances	29,155,082	29,155,082	26,543,612	(2,611,470)
Revenues over (under) expenditures and encumbrances	(480,482)	(480,482)	489,509	969,991
Fund balance, beginning of year	549,419	549,419	120,419	(429,000)
Fund balance, end of year	\$ 68,937	\$ 68,937	\$ 609,928	\$ 540,991

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Gas Utility Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 4,018,000	\$ 4,018,000	\$ 4,454,871	\$ 436,871
Use of money and property	6,000	6,000	16,229	10,229
Miscellaneous	21,000	21,000	9,600	(11,400)
Total revenues	4,045,000	4,045,000	4,480,700	435,700
Expenditures and encumbrances:				
Personal services	537,815	537,815	545,865	8,050
Contractual services	65,400	65,400	34,662	(30,738)
Commodities	929,973	929,973	882,914	(47,059)
Purchased energy	1,670,000	1,670,000	1,268,111	(401,889)
Capital outlay	160,000	160,000	59,032	(100,968)
Miscellaneous	5,400	5,400	2,959	(2,441)
Transfers out	700,700	700,700	800,587	99,887
Total expenditures and encumbrances	4,069,288	4,069,288	3,594,130	(475,158)
Revenues over (under) expenditures and encumbrances	(24,288)	(24,288)	886,570	910,858
Fund balance, beginning of year	59,975	59,975	(479,243)	(539,218)
Fund balance, end of year	\$ 35,687	\$ 35,687	\$ 407,327	\$ 371,640

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Water Utility Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 2,716,000	\$ 2,716,000	\$ 2,655,713	\$ (60,287)
Use of money and property	500	500	4,363	3,863
Tower rents	15,870	15,870	18,251	2,381
Miscellaneous	15,100	15,100	11,041	(4,059)
Transfers in	-	-	2,610,000	2,610,000
Total revenues	<u>2,747,470</u>	<u>2,747,470</u>	<u>5,299,368</u>	<u>2,551,898</u>
Expenditures and encumbrances:				
Personal services	842,602	842,602	861,614	19,012
Contractual services	217,985	217,985	237,419	19,434
Commodities	723,369	723,369	696,110	(27,259)
Capital outlay	328,500	328,500	127,831	(200,669)
Miscellaneous	20,700	20,700	15,019	(5,681)
Principal	-	-	2,610,000	2,610,000
Transfers out	<u>811,623</u>	<u>811,623</u>	<u>745,507</u>	<u>(66,116)</u>
Total expenditures and encumbrances	<u>2,944,779</u>	<u>2,944,779</u>	<u>5,293,500</u>	<u>2,348,721</u>
Revenues over (under) expenditures and encumbrances	(197,309)	(197,309)	5,868	203,177
Fund balance, beginning of year	<u>215,006</u>	<u>215,006</u>	<u>226,077</u>	<u>11,071</u>
Fund balance, end of year	<u>\$ 17,697</u>	<u>\$ 17,697</u>	<u>\$ 231,945</u>	<u>\$ 214,248</u>

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Wastewater Utility Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 1,972,100	\$ 1,972,100	\$ 1,967,338	\$ (4,762)
Use of money and property	1,200	1,200	9,785	8,585
Miscellaneous	12,580	12,580	13,860	1,280
Total revenues	1,985,880	1,985,880	1,990,983	5,103
Expenditures and encumbrances:				
Personal services	759,479	759,479	718,589	(40,890)
Contractual services	304,836	304,836	311,897	7,061
Commodities	335,945	335,945	311,166	(24,779)
Capital outlay	311,000	311,000	207,013	(103,987)
Miscellaneous	1,050	1,050	701	(349)
Principal	-	-	5,744	5,744
Interest	-	-	2,899	2,899
Transfers out	349,120	349,120	393,220	44,100
Total expenditures and encumbrances	2,061,430	2,061,430	1,951,229	(110,201)
Revenues over (under) expenditures and encumbrances	(75,550)	(75,550)	39,754	115,304
Fund balance, beginning of year	97,196	97,196	466,673	369,477
Fund balance, end of year	\$ 21,646	\$ 21,646	\$ 506,427	\$ 484,781

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Refuse Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 1,340,500	\$ 1,340,500	\$ 1,385,807	\$ 45,307
Use of money and property	6,000	6,000	8,035	2,035
Miscellaneous	20,000	20,000	66,589	46,589
Total revenues	1,366,500	1,366,500	1,460,431	93,931
Expenditures and encumbrances:				
Personal services	491,648	491,648	492,047	399
Contractual services	347,395	347,395	433,177	85,782
Commodities	453,305	453,305	448,105	(5,200)
Capital outlay	265,000	265,000	24,984	(240,016)
Miscellaneous	1,100	1,100	567	(533)
Principal	-	-	2,767	2,767
Interest	-	-	1,395	1,395
Transfers out	211,250	211,250	214,097	2,847
Total expenditures and encumbrances	1,769,698	1,769,698	1,617,139	(152,559)
Revenues over (under) expenditures and encumbrances	(403,198)	(403,198)	(156,708)	246,490
Fund balance, beginning of year	417,012	417,012	433,802	16,790
Fund balance, end of year	\$ 13,814	\$ 13,814	\$ 277,094	\$ 263,280

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Quail Ridge Golf Course Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 361,325	\$ 361,325	\$ 274,245	\$ (87,080)
Miscellaneous	1,100	1,100	530	(570)
Transfers in	<u>359,400</u>	<u>359,400</u>	<u>459,475</u>	<u>100,075</u>
Total revenues	<u>721,825</u>	<u>721,825</u>	<u>734,250</u>	<u>12,425</u>
Expenditures and encumbrances:				
Personal services	367,422	367,422	376,926	9,504
Contractual services	91,883	91,883	86,918	(4,965)
Commodities	180,265	180,265	179,933	(332)
Capital outlay	41,000	41,000	36,447	(4,553)
Miscellaneous	1,450	1,450	1,901	451
Principal	<u>53,280</u>	<u>53,280</u>	<u>52,468</u>	<u>(812)</u>
Total expenditures and encumbrances	<u>735,300</u>	<u>735,300</u>	<u>734,593</u>	<u>(707)</u>
Revenues over (under) expenditures and encumbrances	(13,475)	(13,475)	(343)	13,132
Fund balance, beginning of year	<u>27,127</u>	<u>27,127</u>	<u>(17,322)</u>	<u>(44,449)</u>
Fund balance, end of year	<u>\$ 13,652</u>	<u>\$ 13,652</u>	<u>\$ (17,665)</u>	<u>\$ (31,317)</u>

## CITY OF WINFIELD, KANSAS

### INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for services performed by one governmental department to other departments of the City on a cost-reimbursement basis, and for risk financing activities. The following Internal Service Funds are reported:

**Management Services** - a cost center for the City's engineering, management information systems, utility billing and general administration departments' expenses. These expenses are charged to other City funds based on several criteria and ratios.

**Operation Center** - a cost center for the City's operations building and its equipment and for the Service Center department activities. The building and equipment maintenance costs are charged to other City funds on a square footage basis. The Service Center charges other departments based on usage.

**Risk Management Reserve** - pays for deductibles, excess liability losses, uninsured losses, and insurable losses not otherwise covered by commercial insurance. Funding is provided by annual contributions from other City funds that have insurable risk, based on actuarial computations provided by an insurance consultant. The City purchases commercial insurance coverage for substantial areas of risk, including property loss, auto liability, boiler and machinery and general and public officials' liability. Individual funds pay their portions of insurance policy premiums that are recorded as expenditures/expenses in those funds.

**Worker's Compensation Reserve** - accounts for all workers' compensation-related claims, judgements and expenses through September 24, 2011. At this time, the City purchased workers' compensation insurance to cover all future claims. The City's workers' compensation program was a partially self-funded program covering substantially all full-time and part-time employees of the City. Funds have been provided by annual contributions from other City functions that have an insurable risk, based on actuarial computations provided by an insurance consultant.

**Health Insurance Reserve** - created to eventually fund a partially self-insured health insurance program. The fund currently is used to pay a portion of the employee health insurance premiums.

**Short Term Disability Reserve** - used to provide short-term disability for up to twenty-six weeks of financial assistance to City full-time employees following sixty days of continuous disability.



## CITY OF WINFIELD, KANSAS

Combining Statement of Net Position  
Nonmajor Internal Service Funds  
December 31, 2019

	Management Services	Operations Center	Risk Management Reserve	Workers' Compensation Reserve	Health Insurance Reserve	Short-Term Disability Reserve	Total Internal Service Funds
<b>Current Assets:</b>							
Cash and short-term investments	\$ 157,492	\$ 28,605	\$ 209,555	\$ 103,391	\$ 745,292	\$ -	\$ 1,244,335
Accounts receivable	53,152	-	13,920	-	-	-	67,072
Prepaid insurance	-	-	-	-	33,623	-	33,623
Inventories	23,271	92,345	-	-	-	-	115,616
<b>Total current assets</b>	<b>233,915</b>	<b>120,950</b>	<b>223,475</b>	<b>103,391</b>	<b>778,915</b>	<b>-</b>	<b>1,460,646</b>
<b>Noncurrent Assets:</b>							
Land	-	6,500	-	-	-	-	6,500
Buildings	297,677	1,835,184	-	-	-	-	2,132,861
Improvements other than buildings	-	109,395	-	-	-	-	109,395
Machinery and equipment	1,342,519	371,598	-	-	-	-	1,714,117
Less accumulated depreciation	(1,386,659)	(1,346,945)	-	-	-	-	(2,733,604)
<b>Total noncurrent assets</b>	<b>253,537</b>	<b>975,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,229,269</b>
<b>Total assets</b>	<b>487,452</b>	<b>1,096,682</b>	<b>223,475</b>	<b>103,391</b>	<b>778,915</b>	<b>-</b>	<b>2,689,915</b>
<b>Deferred Outflows of Resources:</b>							
Deferred outflows related to pensions	257,482	41,255	-	-	-	-	298,737
Deferred outflows related to OPEB	55,156	8,756	-	-	-	-	63,912
<b>Total deferred outflows of resources</b>	<b>312,638</b>	<b>50,011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>362,649</b>
<b>Current Liabilities:</b>							
Accounts payable	19,479	15,407	25,231	97,092	-	-	157,209
Accrued payroll payable	79,357	12,561	-	-	-	-	91,918
Current portion of compensated absences payable	84,832	13,201	-	-	-	-	98,033
<b>Total current liabilities</b>	<b>183,668</b>	<b>41,169</b>	<b>25,231</b>	<b>97,092</b>	<b>-</b>	<b>-</b>	<b>347,160</b>
<b>Noncurrent Liabilities:</b>							
Long-term portion of compensated absences payable	98,676	8,584	-	-	-	-	107,260
Net OPEB liability	347,505	55,166	-	-	-	-	402,671
Net pension liability	1,373,918	220,134	-	-	-	-	1,594,052
Advances from other funds	-	70,000	-	-	-	-	70,000
<b>Total noncurrent liabilities</b>	<b>1,820,099</b>	<b>353,884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,173,983</b>
<b>Total liabilities</b>	<b>2,003,767</b>	<b>395,053</b>	<b>25,231</b>	<b>97,092</b>	<b>-</b>	<b>-</b>	<b>2,521,143</b>
<b>Deferred Inflows of Resources:</b>							
Deferred inflows related to pensions	63,571	10,185	-	-	-	-	73,756
Deferred inflows related to OPEB	52,049	8,263	-	-	-	-	60,312
<b>Total deferred inflows of resources</b>	<b>115,620</b>	<b>18,448</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>134,068</b>
<b>Net Position:</b>							
Net investment in capital assets	253,537	975,732	-	-	-	-	1,229,269
Unrestricted (deficit)	(1,572,834)	(242,540)	198,244	6,299	778,915	-	(831,916)
<b>Total net position (deficit)</b>	<b>\$ (1,319,297)</b>	<b>\$ 733,192</b>	<b>\$ 198,244</b>	<b>\$ 6,299</b>	<b>\$ 778,915</b>	<b>\$ -</b>	<b>\$ 397,353</b>

CITY OF WINFIELD, KANSAS

Combining Statement of Revenues, Expenses and Changes in Net Position  
Nonmajor Internal Service Funds  
Year Ended December 31, 2019

	Management Services	Operations Center	Risk Management Reserve	Workers' Compensation Reserve	Health Insurance Reserve	Short-Term Disability Reserve	Total Internal Service Funds
Operating Revenues:							
Charges for services	\$ 3,568,751	\$ 592,758	\$ -	\$ 118,616	\$ 2,109,592	\$ -	\$ 6,389,717
Other	59,949	348	274,510	60,280	-	-	395,087
Total operating revenues	3,628,700	593,106	274,510	178,896	2,109,592	-	6,784,804
Operating Expenses:							
Administration	3,625,162	606,406	-	-	-	-	4,231,568
Premiums and claims	-	-	609,754	191,353	1,869,561	-	2,670,668
Depreciation	88,180	60,863	-	-	-	-	149,043
Total operating expenses	3,713,342	667,269	609,754	191,353	1,869,561	-	7,051,279
Operating income (loss)	(84,642)	(74,163)	(335,244)	(12,457)	240,031	-	(266,475)
Nonoperating Revenues (Expenses):							
Interest income	-	-	5,794	767	9,013	3,369	18,943
Gain (loss) on sale of equipment	(1,966)	1,878	-	-	-	-	(88)
Income (loss) before transfers	(86,608)	(72,285)	(329,450)	(11,690)	249,044	3,369	(247,620)
Transfers out	-	(25,000)	-	-	-	(216,654)	(241,654)
Change in net position	(86,608)	(97,285)	(329,450)	(11,690)	249,044	(213,285)	(489,274)
Net position (deficit), beginning of year	(1,232,689)	830,477	527,694	17,989	529,871	213,285	886,627
Net position (deficit), end of year	\$ (1,319,297)	\$ 733,192	\$ 198,244	\$ 6,299	\$ 778,915	\$ -	\$ 397,353

CITY OF WINFIELD, KANSAS

Combining Statement of Cash Flows  
Nonmajor Internal Service Funds  
Year Ended December 31, 2019

	Management Services	Operations Center	Risk Management Reserve	Worker's Compensation Reserve	Health Insurance Reserve	Short-Term Disability Reserve	Total Internal Service Funds
Cash flows from operating activities:							
Receipts from interfund charges	\$ 3,558,633	\$ 592,758	\$ (11,855)	\$ 118,616	\$ 2,106,111	\$ -	\$ 6,364,263
Other receipts	62,143	2,226	274,510	60,280	-	-	399,159
Payments to suppliers and providers	(1,128,136)	(169,738)	(584,638)	(125,654)	(1,869,561)	-	(3,877,727)
Payments to employees for salaries and benefits	(2,399,658)	(392,798)	-	-	-	-	(2,792,456)
Net cash provided by (used in) operations	92,982	32,448	(321,983)	53,242	236,550	-	93,239
Cash flows from capital and related financing activities:							
Acquisition of capital assets	(30,380)	-	-	-	-	-	(30,380)
Cash flows noncapital financing activities:							
Transfers out	-	(25,000)	-	-	-	(216,654)	(241,654)
Cash flows from investing activities:							
Interest income	-	-	5,794	767	9,013	3,369	18,943
Net increase (decrease) in cash and cash equivalents	62,602	7,448	(316,189)	54,009	245,563	(213,285)	(159,852)
Cash and cash equivalents, beginning of year	94,890	21,157	525,744	49,382	499,729	213,285	1,404,187
Cash and cash equivalents, end of year	\$ 157,492	\$ 28,605	\$ 209,555	\$ 103,391	\$ 745,292	\$ -	\$ 1,244,335
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	(84,642)	(74,163)	(335,244)	(12,457)	240,031	-	(266,475)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	88,180	60,863	-	-	-	-	149,043
(Increase) decrease in accounts receivable	(7,924)	1,880	(11,855)	-	-	-	(17,899)
(Increase) decrease in inventories	(3,104)	1,149	-	-	-	-	(1,955)
Decrease in prepaid expenses	-	-	-	-	(3,481)	-	(3,481)
(Increase) decrease in deferred outflows of resources related to pensions & OPEB	14,529	(1,596)	-	-	-	-	12,933
Increase in accounts payable	777	5,897	25,116	65,699	-	-	97,489
Increase (decrease) in accrued wages payable	6,598	813	-	-	-	-	7,411
(Decrease) in compensated absences payable	2,726	4,154	-	-	-	-	6,880
Increase (decrease) in deferred inflows of resources related to pensions & OPEB	201	1,395	-	-	-	-	1,596
Increase in OPEB liability payable	(25,830)	1,596	-	-	-	-	(24,234)
Increase (decrease) in net pension liability payable	101,471	30,460	-	-	-	-	131,931
Net cash provided (used) by operating activities	\$ 92,982	\$ 32,448	\$ (321,983)	\$ 53,242	\$ 236,550	\$ -	\$ 93,239

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Management Services Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 3,680,444	\$ 3,680,444	\$ 3,568,751	\$ (111,693)
Miscellaneous	35,350	35,350	52,025	16,675
Total revenues	3,715,794	3,715,794	3,620,776	(95,018)
Expenditures and encumbrances:				
Personal services	2,582,071	2,582,071	2,445,369	(136,702)
Contractual services	685,534	685,534	716,310	30,776
Commodities	258,539	258,539	234,346	(24,193)
Capital outlay	155,000	155,000	129,779	(25,221)
Miscellaneous	33,650	33,650	40,535	6,885
Contingency	1,000	1,000	-	(1,000)
Total expenditures and encumbrances	3,715,794	3,715,794	3,566,339	(149,455)
Revenues over (under) expenditures, encumbrances, and other uses	-	-	54,437	54,437
Fund balance, beginning of year	-	-	3,428	3,428
Fund balance, end of year	\$ -	\$ -	\$ 57,865	\$ 57,865

CITY OF WINFIELD, KANSAS

Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - Budgetary Basis  
Operations Center Fund  
Year Ended December 31, 2019

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Charges for services	\$ 641,348	\$ 641,348	\$ 592,758	\$ (48,590)
Miscellaneous	950	950	2,226	1,276
Total revenues	642,298	642,298	594,984	(47,314)
Expenditures and encumbrances:				
Personal services	405,959	405,959	402,987	(2,972)
Contractual services	119,270	119,270	108,704	(10,566)
Commodities	60,419	60,419	44,936	(15,483)
Capital outlay	50,000	50,000	11,724	(38,276)
Miscellaneous	1,650	1,650	894	(756)
Contingency	-	-	-	-
Transfers	5,000	5,000	25,000	20,000
Total expenditures and encumbrances	642,298	642,298	594,245	(48,053)
Revenues over (under) expenditures and encumbrances	-	-	739	739
Unencumbered cash, beginning of year	-	-	(101)	(101)
Unencumbered cash, end of year	\$ -	\$ -	\$ 638	\$ 638

## CITY OF WINFIELD, KANSAS

### FIDUCIARY FUNDS

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

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

**Fire Insurance Proceeds** - to collect and pass through flexible benefit contributions.

**Sales Tax** - to account for sales tax collected and to be remitted to the State of Kansas.

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

CITY OF WINFIELD, KANSAS

Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
Year Ended December 31, 2019

	Balance January 1, 2019	Additions	Deductions	Balance December 31, 2019
<b>Payroll Clearing Fund</b>				
Assets				
Cash and short-term investments	\$ 11,464	\$ 7,409,723	\$ 7,421,615	\$ (428)
Liabilities				
Accrued liabilities payable	\$ 11,464	\$ 7,409,723	\$ 7,421,615	\$ (428)
<b>Fire Insurance Proceeds Fund</b>				
Assets				
Cash and short-term investments	\$ 15,144	\$ 10,219	\$ 14,212	\$ 11,151
Liabilities				
Accrued liabilities payable	\$ 15,144	\$ 10,219	\$ 14,212	\$ 11,151
<b>Sales Tax Fund</b>				
Assets				
Cash and short-term investments	\$ 20,760	\$ 806,018	\$ 813,042	\$ 13,736
Other receivables	88,737	14,777	7,708	95,806
Total assets	\$ 109,497	\$ 820,795	\$ 820,750	\$ 109,542
Liabilities				
Accrued liabilities payable	\$ 109,497	\$ 820,795	\$ 820,750	\$ 109,542
<b>Flex Medical Fund</b>				
Assets				
Cash and short-term investments	\$ (6,112)	\$ 235,404	\$ 226,331	\$ 2,961
Liabilities				
Accrued liabilities payable	\$ (6,112)	\$ 235,404	\$ 226,331	\$ 2,961
<b>Total Agency Funds</b>				
Assets				
Cash and short-term investments	\$ 41,256	\$ 8,461,364	\$ 8,475,200	\$ 27,420
Other receivables	88,737	14,777	7,708	95,806
Total assets	\$ 129,993	\$ 8,476,141	\$ 8,482,908	\$ 123,226
Liabilities				
Accrued liabilities payable	\$ 129,993	\$ 8,476,141	\$ 8,482,908	\$ 123,226

## CITY OF WINFIELD, KANSAS

### COMPONENT UNITS

#### **Winfield Housing Authority**

The Winfield Housing Authority was created in 1978 as an agent of the City under K.S.A. 17-2340. The City Commission appoints all Board members and has the ability to impose its will on the Winfield Housing Authority. Although the City does not have the authority to approve or modify the Housing Authority's operational and capital budgets, and the Housing Authority has the authority to issue bonded debt, the City is fiscally responsible for the Housing Authority since it was created as an agency of the City. The City has delegated to the Housing Authority the power to operate and manage the low-rent housing projects of the City. The Housing Authority is on a June 30th fiscal year end and financial data included in these financial statements are for the fiscal year ended June 30, 2019.

#### **Winfield Public Library**

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



# CITY OF WINFIELD, KANSAS

## Winfield Housing Authority Statement of Net Position June 30, 2019

### Assets:

Cash including investments	\$ 101,698
Security deposits	16,461
Accounts receivable, net	2
Accounts receivable - vacated tenants	2,780
Less: allowance for uncollectible accounts	(2,780)
HUD operating subsidy grant receivable	1,423
HUD restricted capital grant receivable	159,937
Prepaid expenses	30,189
Inventory	2,147
Land	52,776
Buildings	3,421,070
Furniture, equipment and machinery	247,742
Accumulated depreciation	<u>(2,518,626)</u>
 Total assets	 <u>1,514,819</u>

### Deferred Outflows of Resources:

Deferred outflows related to pensions	<u>10,929</u>
---------------------------------------	---------------

### Liabilities:

Accounts payable and accrued liabilities	19,976
Salaries and benefits payable	7,743
Tenant security deposits	16,462
Tenant prepaid rents	959
Noncurrent liabilities:	
Due in one year	1,737
Due after one year	<u>154,267</u>
 Total liabilities	 <u>201,144</u>

### Deferred Inflows of Resources:

Deferred inflows - HUD capital grant receivable	158,853
Deferred inflows related to pensions	6,824
Deferred operating subsidy	<u>43,417</u>
 Total deferred inflows of resources	 <u>209,094</u>

### Net Position:

Net investment in capital assets	1,202,962
Restricted for capital projects	159,937
Unrestricted	<u>(247,389)</u>
 Total net position	 <u><u>\$ 1,115,510</u></u>

CITY OF WINFIELD, KANSAS

Winfield Housing Authority  
Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2018

Operating Revenues:	
Dwelling rentals	\$ 154,023
HUD operating subsidies	86,593
Other operating income	<u>5,872</u>
Total operating revenues	<u>246,488</u>
Operating Expenses:	
Payroll and employee benefits	126,647
Maintenance and repairs	35,095
Utilities	6,777
Insurance	23,260
Administration	40,108
Payments in lieu of taxes	14,460
Depreciation	101,621
Miscellaneous expenses	<u>2,842</u>
Total operating expenses	<u>350,810</u>
Operating loss	(104,322)
Nonoperating revenues - interest income	<u>360</u>
Loss before capital contributions	(103,962)
HUD capital improvement grants	<u>54,985</u>
Change in net position	(48,977)
Net position, beginning of year	<u>1,164,487</u>
Net position, end of year	<u>\$ 1,115,510</u>

CITY OF WINFIELD, KANSAS

Winfield Public Library  
Statement of Net Position  
December 31, 2019

Assets:

Cash including investments	\$ 735,306
Leasehold cost	2,168,198
Computers and equipment	191,042
Furniture and fixtures	117,824
Books, audio visual, and automation	249,454
Accumulated depreciation	<u>(1,033,090)</u>

Total assets	<u>2,428,734</u>
--------------	------------------

Deferred Outflows of Resources:

Deferred outflows related to pensions	<u>31,878</u>
---------------------------------------	---------------

Liabilities:

Accounts payable	6,733
Salaries and benefits payable	17,095
Noncurrent liabilities:	
Due after one year	<u>165,267</u>

Total liabilities	<u>189,095</u>
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Deferred Inflows of Resources:

Deferred inflows related to pensions	<u>9,165</u>
--------------------------------------	--------------

Net Position:

Net investment in capital assets	1,693,428
Unrestricted	<u>568,924</u>

Total net position	<u>\$ 2,262,352</u>
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CITY OF WINFIELD, KANSAS

Winfield Public Library  
Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended December 31, 2019

Operating Revenues:	
Appropriations from City of Winfield	\$ 536,070
Operating grants, gifts and memorials	59,154
Charges for services	5,234
Charges for fines	5,411
Investment earnings	4,097
Miscellaneous	2,933
Intergovernmental - state aid	<u>3,447</u>
 Total operating revenues	 <u>616,346</u>
Operating Expenses:	
Current:	
Personal services	358,557
Materials and services	153,559
Gifts and memorials	2,640
Grants	3,233
Depreciation	65,593
Capital outlay	<u>25,227</u>
 Total expenses	 <u>608,809</u>
 Revenues over expenses	 7,537
Net position, beginning of year	<u>2,254,815</u>
 Net position, end of year	 <u>\$ 2,262,352</u>

## **STATISTICAL SECTION**

## CITY OF WINFIELD, KANSAS

### STATISTICAL SECTION

This part of the City of Winfield's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the government's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	137
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue source.	143
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	147
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	155
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	157

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the City's Comprehensive Annual Financial Reports for the relevant year.*

CITY OF WINFIELD, KANSAS

Net Position by Component, Last Ten Fiscal Years  
(accrual basis of accounting)

Table 1

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 15,221,844	\$ 16,091,925	\$ 16,850,705	\$ 17,623,357	\$ 16,436,223	\$ 17,577,431	\$ 18,881,347	\$ 20,175,047	\$ 19,201,579	\$ 15,466,287
Restricted	1,100,540	1,001,143	903,217	1,582,593	897,959	2,424,216	3,096,336	4,037,430	4,866,445	5,617,667
Unrestricted	4,814,451	4,296,363	5,240,513	3,957,875	6,018,000	(2,175,827)	(2,327,930)	(4,498,957)	(3,700,574)	1,604,340
Total governmental activities net position	\$ 21,136,835	\$ 21,389,421	\$ 22,994,435	\$ 23,163,825	\$ 23,352,182	\$ 17,825,820	\$ 19,649,753	\$ 19,713,520	\$ 20,367,450	\$ 22,688,294
Business-type activities										
Net investment in capital assets	\$ 39,238,338	\$ 38,560,011	\$ 37,304,887	\$ 37,119,806	\$ 38,288,922	\$ 38,571,383	\$ 38,952,498	\$ 36,999,468	\$ 36,633,890	\$ 35,938,587
Restricted	200,000	-	-	-	-	-	2,574,319	3,308,708	3,938,533	4,528,811
Unrestricted	9,145,650	11,038,264	11,902,772	11,561,504	10,405,524	6,655,354	1,132,671	1,337,375	2,011,960	3,234,124
Total business-type activities net position	\$ 48,583,988	\$ 49,598,275	\$ 49,207,659	\$ 48,681,310	\$ 48,694,446	\$ 45,226,737	\$ 42,659,488	\$ 41,645,551	\$ 42,584,383	\$ 43,701,522
Primary government										
Net investment in capital assets	\$ 54,460,182	\$ 54,651,936	\$ 54,155,592	\$ 54,743,163	\$ 54,725,145	\$ 56,148,814	\$ 57,833,845	\$ 57,174,515	\$ 55,835,469	\$ 51,404,874
Restricted	1,300,540	1,001,143	903,217	1,582,593	897,959	2,424,216	5,670,655	7,346,138	8,804,978	10,146,478
Unrestricted	13,960,101	15,334,617	17,143,285	15,519,379	16,423,524	4,479,527	(1,195,259)	(3,161,582)	(1,688,614)	4,838,464
Total primary government net position	\$ 69,720,823	\$ 70,987,696	\$ 72,202,094	\$ 71,845,135	\$ 72,046,628	\$ 63,052,557	\$ 62,309,241	\$ 61,359,071	\$ 62,951,833	\$ 66,389,816

CITY OF WINFIELD, KANSAS

Changes in Net Position, Last Ten Fiscal Years  
(accrual basis of accounting)

Table 2

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General government	\$ 1,378,157	\$ 1,284,081	\$ 1,296,695	\$ 1,679,541	\$ 2,536,371	\$ 2,681,384	\$ 1,857,537	\$ 1,313,256	\$ 592,182	\$ 1,329,125
Public safety	4,486,349	4,493,341	4,588,327	4,467,782	5,497,169	6,533,821	5,839,730	6,590,362	5,866,449	6,184,198
Public works/stormwater	1,391,930	1,392,216	1,413,920	940,998	1,354,619	303,226	1,874,415	1,426,464	2,003,535	1,799,347
Cemetery	164,665	145,656	156,726	170,300	172,554	166,866	176,880	155,216	216,031	202,876
Culture and recreation	1,910,251	2,044,763	1,986,876	3,295,984	2,465,021	1,980,871	2,369,941	2,352,435	2,381,671	2,373,817
Health and welfare	333,945	341,963	344,062	327,336	37,455	101,146	78,513	935,641	78,077	57,403
Economic development	149,777	185,683	305,823	163,584	146,271	190,447	278,007	461,928	377,593	378,499
Interest on debt	500,300	452,192	487,573	613,933	449,271	459,790	154,058	303,648	354,950	624,626
Total governmental activities expenses	10,314,374	10,339,895	10,580,002	11,659,458	12,658,731	12,417,551	12,629,081	13,538,950	11,870,488	12,949,891
<b>Business-type activities:</b>										
Electric	21,107,926	22,331,177	24,216,773	24,159,020	27,821,735	24,958,831	28,856,102	25,798,434	24,705,106	24,604,865
Gas	4,433,654	4,160,674	3,507,599	4,054,864	4,946,102	3,376,428	3,087,782	3,469,446	3,641,758	2,964,941
Water	2,318,531	2,354,597	2,433,503	2,352,849	2,206,841	2,322,396	2,136,541	2,434,505	2,104,702	1,872,083
Refuse	1,200,127	1,247,376	1,151,417	1,137,167	1,323,129	1,322,722	1,363,589	1,313,917	1,153,414	1,598,412
Wastewater	1,865,241	1,849,088	1,844,635	1,714,342	1,522,762	1,954,858	2,302,971	2,018,355	1,246,911	1,448,011
Golf course	813,684	762,407	681,748	581,179	539,075	611,452	581,613	678,223	754,226	788,748
Total business-type activities expenses	31,739,163	32,705,319	33,835,675	33,999,421	38,359,445	34,546,687	36,328,598	35,712,880	33,606,117	33,277,060
Total primary government expenses	\$ 42,053,537	\$ 43,045,214	\$ 44,415,677	\$ 45,658,879	\$ 51,018,176	\$ 46,964,238	\$ 48,957,679	\$ 49,251,830	\$ 45,476,605	\$ 46,226,951



CITY OF WINFIELD, KANSAS

Changes in Net Position, Last Ten Fiscal Years (Continued)  
(accrual basis of accounting)

Table 2

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Program Revenues</b>										
<i>Governmental activities:</i>										
General government	\$ 662,013	\$ 351,445	\$ 336,317	\$ 416,522	\$ 499,031	\$ 355,557	\$ 303,368	\$ 643,513	\$ 240,294	\$ 551,281
Public safety	223,217	217,361	233,349	225,052	1,431,890	637,143	1,008,550	1,060,172	994,099	909,619
Public works/stormwater	149,339	149,761	150,130	146,302	199,247	151,162	157,748	184,720	249,288	150,513
Cemetery	53,860	70,245	63,810	51,550	50,403	44,662	44,445	77,565	56,445	44,640
Culture and recreation	544,552	532,471	508,072	388,829	407,773	583,748	563,921	647,920	624,845	622,954
Health and welfare	189,856	187,630	178,714	177,307	180,974	399,189	-	451,329	454,886	466,972
Economic Development							3,831	-	-	-
Operating grants and contributions	641,420	553,306	646,035	619,871	463,505	606,833	1,295,256	735,755	439,911	790,802
Capital grants and contributions	13,286	55,651	1,118,000	499,185	255,641	614,080	307,425	1,603,376	259,199	541,402
<b>Total governmental activities</b>	<b>2,477,543</b>	<b>2,117,870</b>	<b>3,234,427</b>	<b>2,524,618</b>	<b>3,488,464</b>	<b>3,392,374</b>	<b>3,684,544</b>	<b>5,404,350</b>	<b>3,318,967</b>	<b>4,078,183</b>
<i>Business-type activities:</i>										
<i>Charges for services:</i>										
Electric	22,771,769	24,623,166	26,074,970	25,075,556	29,332,542	26,922,703	27,469,873	27,691,161	27,275,596	27,150,127
Gas	5,455,036	4,955,953	3,750,750	4,366,055	5,539,500	3,990,898	3,135,190	3,325,465	4,106,044	4,487,651
Water	2,134,745	2,375,968	2,470,167	2,188,618	2,280,116	2,334,501	2,349,167	2,507,101	2,591,867	2,714,348
Refuse	1,401,131	1,394,287	1,379,195	1,385,780	1,365,123	1,374,125	1,367,750	1,419,973	1,829,929	1,981,287
Wastewater	1,809,506	1,942,758	2,072,943	2,094,907	2,015,682	1,940,840	2,101,798	1,869,697	1,346,930	1,458,749
Golf course	468,167	459,404	448,759	411,866	348,137	347,342	330,211	318,089	301,171	272,280
Capital grants and contributions	798,404	113,230	85,932	762,833	195,159	122,547	-	-	-	-
<b>Total business-type activities</b>	<b>34,838,758</b>	<b>35,864,766</b>	<b>36,282,716</b>	<b>36,285,615</b>	<b>41,076,260</b>	<b>37,032,956</b>	<b>36,753,989</b>	<b>37,131,486</b>	<b>37,451,537</b>	<b>38,064,442</b>
<b>Total primary government</b>	<b>\$ 37,316,301</b>	<b>\$ 37,982,636</b>	<b>\$ 39,517,143</b>	<b>\$ 38,810,233</b>	<b>\$ 44,564,724</b>	<b>\$ 40,425,330</b>	<b>\$ 40,438,533</b>	<b>\$ 42,535,836</b>	<b>\$ 40,770,504</b>	<b>\$ 42,142,625</b>
<b>Net (Expenses)/Revenue</b>	<b>\$ (7,836,831)</b>	<b>\$ (8,222,025)</b>	<b>\$ (7,345,575)</b>	<b>\$ (9,134,840)</b>	<b>\$ (9,170,267)</b>	<b>\$ (9,025,177)</b>	<b>\$ (8,944,537)</b>	<b>\$ (8,134,600)</b>	<b>\$ (8,551,521)</b>	<b>\$ (8,871,708)</b>
Governmental activities	3,099,595	3,159,447	2,447,041	2,286,194	2,716,816	2,486,269	425,391	1,418,606	3,845,420	4,787,382
Business-type activities	\$ (4,737,236)	\$ (5,062,578)	\$ (4,898,534)	\$ (6,848,646)	\$ (6,453,451)	\$ (6,538,908)	\$ (8,519,146)	\$ (6,715,994)	\$ (4,706,101)	\$ (4,084,326)
<b>Total primary government net expense</b>										

CITY OF WINFIELD, KANSAS

Changes in Net Position, Last Ten Fiscal Years (Continued)  
(accrual basis of accounting)

Table 2

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 3,995,278	\$ 4,133,774	\$ 3,941,589	\$ 4,156,656	\$ 4,157,886	\$ 4,068,492	\$ 4,122,880	\$ 4,200,161	\$ 4,258,631	\$ 4,399,021
Sales taxes	1,650,437	1,802,734	1,744,484	1,765,516	2,221,697	2,814,924	2,593,154	2,610,928	2,425,381	2,552,264
Franchise taxes	217,851	197,907	247,602	218,778	200,961	173,254	162,633	154,830	152,318	149,089
Other taxes	127,883	164,781	144,171	137,802	116,005	172,802	154,121	167,937	146,977	147,565
Payments in lieu of taxes	1,987,491	2,090,193	2,576,964	2,503,962	2,530,448	2,643,580	2,877,787	2,252,293	2,827,397	2,786,366
Investment earnings	21,433	9,874	11,056	17,741	15,085	11,666	27,740	36,798	106,259	153,739
Miscellaneous	44,392	-	-	161,977	57,071	84,349	-	-	-	-
Special items	-	-	-	-	-	-	-	-	-	-
Transfers	(29,652)	75,348	284,722	341,798	117,128	149,472	161,529	231,285	(305,779)	1,004,508
Total governmental activities	8,015,113	8,474,611	8,950,588	9,304,230	9,416,281	10,118,539	10,099,844	9,654,232	9,611,184	11,192,552
Business-type activities										
Investment earnings	36,195	20,381	24,030	33,217	23,540	25,308	46,676	51,035	80,831	120,631
In lieu of franchise fees	(1,987,491)	(2,090,193)	(2,576,964)	(2,503,962)	(2,530,448)	(2,643,580)	(2,877,787)	(2,252,293)	(2,827,397)	(2,786,366)
Transfers	29,652	(75,348)	(284,722)	(341,798)	(117,128)	(149,472)	(161,529)	(231,285)	305,779	(1,004,508)
Total business-type activities	(1,921,644)	(2,145,160)	(2,837,656)	(2,812,543)	(2,624,036)	(2,767,744)	(2,992,640)	(2,432,543)	(2,440,787)	(3,670,243)
Total primary government	\$ 6,093,469	\$ 6,329,451	\$ 6,112,932	\$ 6,491,687	\$ 6,792,245	\$ 7,350,795	\$ 7,107,204	\$ 7,221,689	\$ 7,170,397	\$ 7,522,309
Change in Net Position										
Governmental activities	\$ 178,282	\$ 252,586	\$ 1,605,013	\$ 169,390	\$ 246,014	\$ 1,093,362	\$ 1,155,307	\$ 1,519,632	\$ 1,059,663	\$ 2,320,844
Business-type activities	1,177,951	1,014,287	(390,615)	(526,350)	92,779	(281,475)	(2,567,249)	(1,013,937)	1,404,633	1,117,139
Total primary government	\$ 1,356,233	\$ 1,266,873	\$ 1,214,398	\$ (356,960)	\$ 338,793	\$ 811,887	\$ (1,411,942)	\$ 505,695	\$ 2,464,296	\$ 3,437,983

CITY OF WINFIELD, KANSAS

Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Table 3

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund										
Reserved	\$ 28,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	20,265	20,265	20,265	20,265	20,265	20,265	20,265	20,265	20,265
Restricted	-	-	-	-	-	218,132	-	-	104,000	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	226,205	418,171	464,835	580,434	1,171,872	976,043	330,351	270,293	1,177,192	819,547
Unassigned	-	-	-	-	-	-	606,992	693,135	-	474,326
Total general fund	\$ 255,116	\$ 438,436	\$ 485,100	\$ 600,699	\$ 1,192,137	\$ 1,214,440	\$ 957,608	\$ 983,693	\$ 1,301,457	\$ 1,314,138
All other governmental funds										
Reserved	\$ 322,885	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	6,000	6,000	6,000	6,000	722,252	716,252	716,252	716,300	5,988	6,083
Restricted	1,453,568	995,143	1,575,860	1,496,982	829,976	1,546,813	2,380,084	3,300,865	4,762,445	5,617,667
Committed	-	422,139	348,373	291,949	327,030	450,250	816,084	648,291	389,388	443,487
Assigned	-	(33,924)	669,560	943,224	1,283,045	(25,097)	170	9,250	9,588	4,348,713
Unassigned	-	-	-	(43,833)	-	-	(610,033)	(3,200,545)	(1,683,007)	-
Total other governmental funds	\$ 1,782,453	\$ 1,389,358	\$ 2,599,793	\$ 2,694,322	\$ 3,162,302	\$ 2,688,218	\$ 3,302,557	\$ 1,474,161	\$ 3,484,402	\$ 10,415,950

\* In 2011, The City implemented GASB Statement No. 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned compared to previous years.

## CITY OF WINFIELD, KANAS

Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years  
(modified accrual basis of accounting)

Table 4

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>											
Property taxes	\$ 3,946,608	\$ 3,995,277	\$ 4,133,774	\$ 3,941,589	\$ 4,156,656	\$ 4,157,886	\$ 4,081,948	\$ 4,122,880	\$ 4,200,160	\$ 4,258,630	\$ 4,399,021
Sales taxes	1,642,867	1,650,437	1,802,734	1,744,484	1,749,986	2,221,697	2,814,924	2,593,154	2,610,927	2,425,381	2,552,264
Intergovernmental revenue	1,130,876	1,209,844	1,107,981	1,166,436	1,174,855	984,128	1,175,486	1,674,896	2,052,388	1,266,383	241,418
Charges for services	625,933	747,203	770,710	559,154	568,504	1,810,152	1,336,419	1,721,968	1,914,875	1,801,373	149,089
Franchise taxes	208,506	217,851	197,907	247,603	180,218	200,961	173,254	162,633	154,831	152,318	1,854,990
Special assessments	163,672	206,224	207,926	256,707	205,071	223,940	204,679	243,164	224,114	231,568	58,432
Fines and penalties	160,454	132,875	134,467	120,658	119,922	99,604	100,911	84,232	108,868	89,634	1,732,620
Licenses, fees, and permits	57,929	49,586	70,546	82,150	46,382	66,382	59,219	52,941	58,504	73,966	57,296
Investment earnings	54,327	16,513	7,318	6,057	9,266	12,438	9,259	170,200	175,000	250,443	286,067
Other revenues	351,214	65,241	134,958	220,181	764,473	614,607	712,812	266,346	605,643	429,615	764,102
<b>Total revenues</b>	<b>8,342,386</b>	<b>8,291,051</b>	<b>8,568,321</b>	<b>10,326,654</b>	<b>8,975,843</b>	<b>10,391,795</b>	<b>10,688,911</b>	<b>11,092,414</b>	<b>12,105,310</b>	<b>10,979,311</b>	<b>12,095,299</b>
<b>Expenditures</b>											
General government	1,033,537	1,052,806	1,344,999	1,181,274	1,819,569	2,014,877	1,563,415	1,236,497	996,029	769,871	1,092,181
Public safety	4,310,118	4,362,464	4,311,581	4,613,336	4,478,126	5,629,779	6,718,548	6,333,425	6,323,508	6,543,220	6,520,468
Public works/streets	1,427,589	1,008,716	651,094	1,028,453	1,026,521	2,606,888	863,600	1,886,666	3,554,756	4,095,780	3,271,475
Cemetery	140,513	163,761	160,580	160,451	163,385	187,041	166,866	170,768	176,113	232,672	222,380
Culture and recreation	2,171,340	1,778,099	1,793,269	1,805,704	3,050,218	2,231,156	2,062,813	2,201,156	2,158,499	2,138,907	2,197,149
Health and welfare	353,557	333,945	341,963	344,062	327,336	37,455	101,146	86,130	935,642	78,077	57,403
Economic development	165,271	148,777	185,683	3,956,430	163,584	146,271	190,447	204,014	461,928	377,593	378,499
Debt service:											
Debt principal payments	1,242,033	1,328,559	1,794,554	966,116	3,167,487	7,098,815	11,411,228	1,321,322	1,793,389	1,893,724	1,884,872
Debt interest payments	466,280	482,537	597,363	512,828	451,172	445,119	409,927	307,589	474,901	426,871	515,044
Temporary note principal pymts	-	-	-	-	-	-	-	-	-	-	-
Temporary note interest pymts	-	-	-	-	-	-	-	-	-	-	-
Discount on temporary note	-	-	-	-	-	-	-	-	-	-	-
Debt insurance costs	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	555,840	362,291	443,657	279,691	24,515	32,610	184,250	147,909	8,235	59,995	77,896
					226,844	240,044	272,656	147,909	85,592	112,318	244,387
<b>Total expenditures</b>	<b>11,866,078</b>	<b>11,021,955</b>	<b>11,624,743</b>	<b>14,848,345</b>	<b>14,898,757</b>	<b>20,670,054</b>	<b>23,944,896</b>	<b>13,895,476</b>	<b>16,968,592</b>	<b>16,729,028</b>	<b>16,461,754</b>
Excess of revenues over (under) expenditures	(3,523,692)	(2,730,904)	(3,056,422)	(4,521,691)	(5,922,914)	(10,278,259)	(13,275,985)	(2,803,062)	(4,863,282)	(5,749,717)	(4,366,455)
<b>Other Financing Sources (Uses)</b>											
Transfers in	1,958,394	2,086,218	2,729,475	2,093,424	2,991,209	5,968,200	3,457,125	3,276,678	3,654,470	7,454,605	10,515,217
Transfers out	(1,983,495)	(2,101,654)	(1,973,021)	(1,970,140)	(1,973,180)	(5,168,219)	(2,629,373)	(3,115,149)	(2,845,792)	(7,195,494)	(11,784,163)
Transfers in - Pymts in lieu of franchise fees	2,097,169	1,987,491	2,090,193	2,576,965	2,503,962	2,530,448	2,643,579	2,877,787	2,252,293	2,827,397	2,786,366
Issuance of temporary notes	-	-	-	3,410,000	2,610,000	8,083,543	-	-	-	-	-
Issuance of bonds	-	-	-	-	-	-	6,720,000	-	-	4,660,000	9,365,000
Issuance of refunding debt	-	1,398,246	-	1,520,000	-	-	4,780,000	-	-	-	-
Premium on bonds issued	-	18,898	-	-	-	-	553,742	-	-	38,209	428,264
Issuance of KDOT debt	-	630,970	-	-	-	-	-	-	-	-	-
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	227,844	(1,144,247)	-	(1,833,955)	-	-	(2,700,868)	41,558	-	189,000	-
Insurance recoveries	429,781	-	-	-	-	-	-	-	-	-	-
Debt insurance costs	-	(18,798)	-	(17,505)	-	-	-	-	-	-	-
Sales of property	-	2,600	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>2,748,879</b>	<b>2,859,724</b>	<b>2,846,647</b>	<b>5,778,789</b>	<b>6,131,991</b>	<b>11,413,972</b>	<b>12,824,205</b>	<b>3,080,874</b>	<b>3,060,971</b>	<b>7,973,717</b>	<b>11,310,684</b>
<b>Net change in fund balances</b>	<b>\$ (774,813)</b>	<b>\$ 128,820</b>	<b>\$ (209,775)</b>	<b>\$ 1,257,098</b>	<b>\$ 209,077</b>	<b>\$ 1,135,713</b>	<b>\$ (451,780)</b>	<b>\$ 277,812</b>	<b>\$ (1,802,311)</b>	<b>\$ 2,224,000</b>	<b>\$ 6,944,229</b>
Debt service as a percentage of noncapital expenditures	17.89%	17.52%	21.56%	13.80%	26.29%	41.00%	24.42%	13.32%	16.21%	19.34%	14.58%

# CITY OF WINFIELD, KANSAS

## Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years (in thousands of dollars)

Table 5

Fiscal Year	Real Property	Personal Property	[a] Utilities	Motor Vehicles	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2010	\$ 56,166	\$ 6,855	\$ 1,733	\$ 9,731	\$ 74,485	\$ 56.746	\$ 475,007	15.68%
2011	55,746	4,942	82	9,741	70,511	56.466	422,422	16.69%
2012	57,032	6,296	69	9,848	73,245	55.068	488,629	14.99%
2013	56,870	6,677	1,731	9,923	75,201	54.631	432,743	17.38%
2014	57,802	7,154	1,767	9,935	76,658	54.393	438,971	17.46%
2015	59,597	6,869	1,911	9,843	78,220	53.722	451,785	17.31%
2016	61,149	7,056	2,004	10,171	80,380	53.359	459,831	17.48%
2017	61,938	6,954	1,923	10,117	80,932	53.287	468,506	17.27%
2018	63,651	6,954	2,186	9,963	82,754	54.246	476,879	17.35%
2019	64,142	5,551	2,302	10,172	82,167	54.147	475,149	17.29%

Source: Cowley County Clerk, Treasurer, and Appraiser Offices.

Notes: Property in Cowley County is reassessed annually. Commercial property is assessed at 25% of actual value, and residential at 11.5%.

[a] includes oil and gas. Beginning in 2007, certain types of personal property were removed from the tax rolls.

# CITY OF WINFIELD, KANSAS

## Direct and Overlapping Property Tax Rates Last Ten Fiscal Years (rate per \$1,000 of assessed dollars)

Table 6

Year	City of Winfield Direct Rates			Overlapping Rates-Other Governments				Total Direct & Overlapping Rate
	Operating Rate	Debt Service	Total Direct Rate	USD 465	State of Kansas	Cowley College	Cowley County	
2010	47.096	9.650	56.746	62.251	1.500	20.219	43.036	183.752
2011	46.816	9.650	56.466	63.096	1.500	20.013	43.420	184.495
2012	45.704	9.364	55.068	58.600	1.500	19.020	40.100	174.288
2013	45.352	9.279	54.631	62.909	1.500	19.388	43.302	181.730
2014	45.252	9.141	54.393	55.795	1.500	18.790	43.186	173.664
2015	44.693	9.029	53.722	55.752	1.500	18.915	43.568	173.457
2016	45.330	8.029	53.359	51.193	1.500	18.998	43.449	168.499
2017	45.350	7.937	53.287	50.995	1.500	20.302	45.063	171.147
2018	46.236	8.010	54.246	50.981	1.500	20.313	45.058	172.098
2019	45.969	8.178	54.147	50.951	1.500	20.281	46.985	173.864

Source: Cowley County Clerk's office.

Notes: The city's property tax rates are set annually by the City commission. Rates for debt service are set based on each year's requirements. Overlapping rates are those of local and county governments that apply to property owners within the City of Winfield.

CITY OF WINFIELD, KANSAS

Principal Property Taxpayers  
Current Year and Nine Years Ago

Table 7

Taxpayer	2019			2010		
	Assessed Valuation [a]	Rank	Percentage of Total City Taxable Assessed Value [a]	Assessed Valuation [a]	Rank	Percentage of Total City Taxable Assessed Value [a]
Newell Rubbermaid	\$ 5,408,399	1	7.51%	\$ 5,783,708	1	8.93%
Walmart	2,032,728	2	2.82%	2,460,315	2	3.80%
WestRock (Silgan Dispensing)	1,558,332	3	2.16%	-		
General Electric Company	1,425,672	4	1.98%	735,619	4	1.14%
Galaxy Tool Corporation	1,122,014	5	1.56%	534,967	8	0.69%
Union Pacific Railroad	1,060,193	6	1.47%	663,781	6	1.03%
RCB Bank	836,021	7	1.16%	-		
Calmar	718,106	8	1.00%	454,430	10	0.70%
BNSF	629,003	9	0.87%	-		
Kevin Coon	581,075	10	0.81%	-		
Winfield Economic Development, Inc	N/A			1,170,785	3	1.81%
Southwestern Bell	N/A			542,358	9	0.84%
Philco Inns	N/A			667,652	5	1.03%
Dillons	N/A			653,575	7	1.01%
The State Bank	N/A			543,538	8	0.84%

[a] excludes motor vehicle valuation.

Source: Cowley County Clerk Office.

# CITY OF WINFIELD, KANSAS

## Property Tax Levies and Collections Last Ten Fiscal Years

Table 8

Year	Taxes Levied	Collected within the Fiscal Year of Levy		Delinquent	Total	Percentage of Levy
	For Fiscal Year	Amount	Percentage of Levy	Tax Collections	Tax Collections	
2010	\$ 3,571,586	\$ 3,462,827	96.95%	\$ 53,150	\$ 3,515,977	98.44%
2011	3,532,436	3,493,214	98.89%	32,621	3,525,835	99.81%
2012	3,532,435	3,371,833	95.45%	42,135	3,413,968	96.65%
2013	3,590,753	3,484,949	97.05%	102,552	3,587,501	99.91%
2014	3,562,198	3,538,003	99.32%	165,638	3,703,641	103.97%
2015	3,632,089	3,497,585	96.30%	63,113	3,560,698	98.03%
2016	3,674,502	3,537,750	96.28%	58,798	3,596,548	97.88%
2017	3,767,764	3,518,922	93.40%	59,729	3,578,651	94.98%
2018	3,880,664	3,618,626	93.25%	67,560	3,686,186	94.99%
2019	3,895,935	2,257,177	57.94%	25,101	2,282,278	58.58%

Source: Cowley County Clerk and County Treasurer's office.



CITY OF WINFIELD, KANSAS

Legal Debt Margin Information  
Last Ten Fiscal Years  
(dollars in thousands)

Table 9

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Legal debt limit [1]	\$ 22,346	\$ 21,153	\$ 21,974	\$ 22,560	\$ 22,997	\$ 23,466	\$ 24,114	\$ 21,226	\$ 21,589	\$ 21,599
Total debt applicable to debt limit	22,178	20,105	14,865	18,435	19,525	17,135	17,705	21,340	19,725	22,680
Less self-supporting debt [2]	(10,555)	(9,696)	(5,773)	(5,347)	(4,908)	(5,007)	(4,503)	(3,990)	(3,525)	(3,455)
Total net debt applicable to limit	11,623	10,409	9,092	13,088	14,617	12,128	13,202	17,350	16,200	19,225
Legal debt margin	\$ 10,723	\$ 10,744	\$ 12,882	\$ 9,472	\$ 8,380	\$ 11,338	\$ 10,912	\$ 3,876	\$ 5,389	\$ 2,374
Total net debt applicable to the limit as a percentage of debt limit	52.01%	49.21%	41.38%	58.01%	63.56%	51.68%	54.75%	81.74%	75.04%	89.01%

*Legal debt margin calculation for fiscal year 2019*

Assessed taxable value \$ 71,995

Debt limit (30% of total assessed) \$ 21,599

[1] Under K.S.A. 10-308, the city's outstanding bonded indebtedness cannot exceed 30 percent of assessed valuation of the city.

[2] Principal amount of City's general obligation and state revolving fund debt which is anticipated to be paid from net revenues from the operation of the City's water and sewer systems.

CITY OF WINFIELD, KANSAS

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands)

Table 10

Governmental Activities						
Year	General Obligation Bonds	Sales Tax Revenue Bonds	KDOT Loan	Contractual Debt	Certificates of Participation	Capital Leases
2010	\$ 11,552	\$ -	\$ 71	\$ 72	\$ -	\$ 831
2011	10,373	-	36	39	-	663
2012	9,071	-	-	33	-	498
2013	7,843	-	-	128	-	349
2014	6,551	-	-	96	-	235
2015	12,697	-	-	64	-	118
2016	11,361	-	-	32	-	36
2017	10,103	-	-	167	-	359
2018	13,561	-	-	134	-	422
2019	18,730	-	-	100	-	391

Business-type Activities								
Year	General Obligation Bonds	Capital Leases	KDHE Loans	Certificates of Participation	Total Primary Government	Percentage of Personal Income	Per Capita	Current Population
2010	\$ 6,618	\$ 58	\$ 3,937	\$ 445	\$ 23,584	2.08%	\$ 1,917	12,301
2011	6,197	9	3,499	-	20,816	1.74%	1,693	12,292
2012	5,774	3,064	-	-	18,440	1.87%	1,812	12,365
2013	5,347	2,581	-	-	16,248	1.48%	1,743	12,333
2014	4,944	2,088	-	-	13,914	1.58%	1,794	12,258
2015	5,067	1,583	-	-	19,529	1.40%	1,600	12,204
2016	4,503	1,100	-	-	17,032	1.27%	1,387	12,284
2017	3,990	640	-	-	15,259	1.18%	1,261	12,104
2018	3,525	93	-	-	17,735	1.35%	1,471	12,057
2019	3,455	85	-	-	22,761	1.67%	2,032	11,201

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

General obligation bond balances include general obligation debt, net of related premiums, discounts, and adjustments. It does not include short-term debt instruments.

# CITY OF WINFIELD, KANSAS

## Ratio of General Bonded Debt Outstanding Last Ten Fiscal Years (dollars in thousands, except per capita)

Table 11

Year	General Bonded Debt Outstanding [b]		LESS: Amounts Restricted to Repaying Principal	Total	Percentage of Actual Taxable Value of Property [a]	Per Capita
	General Obligation Bonds	KDOT GO Debt				
2010	\$ 18,170	\$ 72	\$ (131)	\$ 18,182	3.83%	\$ 1,478
2011	16,570	36	(159)	16,447	3.89%	1,338
2012	14,865	-	(208)	18,617	3.81%	1,506
2013	13,190	-	(463)	17,972	4.15%	1,457
2014	11,496	-	(314)	19,257	4.39%	1,571
2015	17,764	-	(478)	17,286	3.83%	1,416
2016	15,375	-	(594)	14,781	3.21%	1,203
2017	13,640	-	(909)	12,731	2.72%	1,052
2018 [c]	16,670	-	(810)	15,860	3.33%	1,315
2019	21,810	-	(1,267)	20,543	4.32%	1,834

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[a] See Table 5 for property value data

[b] In accordance with KSA 10-1116 and KSA 79-5028, KDOT loans constitute 'bonds'

characterization. KDOT debt for street improvements are being repaid as general obligation debt.

[c] Includes \$3,525 thousand of general obligation debt, that is being repaid from water revenues, net of related premiums, discounts, and adjustments.

CITY OF WINFIELD, KANSAS

Governmental Activities Direct and Overlapping Debt  
December 31, 2018

Table 12

	<u>Debt</u>	<u>Percent of Debt Applicable to City</u>	<u>City Share of Debt</u>
Direct debt:			
General obligation bonded debt	\$ 19,156,385	100.00%	\$ 19,156,385
Interlocal agreement debt	100,500	100.00%	100,500
Capital leases	391,067	100.00%	<u>391,067</u>
Total direct debt			<u>19,647,952</u>
Overlapping debt:			
USD 465	\$ 8,470,000	70.11%	<u>\$ 5,938,710</u>
Total direct and overlapping debt			<u>\$ 25,586,662</u>

Sources: Assessed valuation provided by Cowley County Clerk.  
Debt outstanding data is provided by each governmental unit.

Percentage of debt applicable to the City of Winfield is based on the proportion that the assessed valuation of the City of Winfield bears to the assessed valuation of the overlapping entity.

CITY OF WINFIELD, KANSAS

Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(dollars in thousands)

Table 13

Electric Revenue Bonds and Certificates of Participation Debt [2]						
Year	Utility Service Charges	Less: Operating Expenses [1]	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$ 21,669	\$ 20,964	\$ 705	\$ 90	\$ 5	7.42
2011	24,650	23,879	771	93	1	8.20
2012	26,098	24,202	1,896	-	-	-
2013	25,076	25,182	(106)	-	-	-
2014	29,333	29,232	101	-	-	-
2015	26,786	26,849	(63)	-	-	-
2016	27,452	26,651	801	-	-	-
2017	27,697	25,798	1,899	-	-	-
2018	27,310	24,705	2,605	-	-	-
2019	27,136	24,605	2,531	-	-	-

Water Debt						
Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$ 2,135	\$ 1,741	\$ 394	\$ 342	\$ 263	0.65
2011	2,376	2,326	50	421	149	0.09
2012	2,470	2,419	51	421	148	0.09
2013	2,189	2,328	(139)	427	138	(0.25)
2014	2,280	2,201	79	439	129	0.14
2015	2,334	2,295	39	446	120	0.07
2016	2,349	1,976	373	504	125	0.59
2017	2,499	2,324	175	513	22	0.33
2018	2,716	2,105	611	465	104	1.07
2019	2,861	1,818	1,043	535	86	1.68

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Operating expenses do not include interest/amortization expense, but do include payments in lieu of franchise fees.

[2] Certification of Participation was paid in full in 2012.

CITY OF WINFIELD, KANSAS

Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(dollars in thousands)

Table 13 (cont.)

Wastewater Debt						
Year	Utility Service Charges	Less: Operating Expenses [1]	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$ 1,810	\$ 1,095	\$ 715	\$ 434	\$ 132	1.26
2011	1,943	1,729	214	438	125	0.38
2012	2,073	1,781	292	465	87	0.53
2013	2,095	1,629	466	482	66	0.85
2014	2,016	1,483	533	493	55	0.97
2015	1,941	1,955	(14)	506	43	(0.03)
2016	1,974	2,107	(133)	516	32	(0.24)
2017	1,855	2,018	(163)	536	27	(0.29)
2018	1,898	1,247	651	544	12	1.17
2019	1,983	1,598	385	6	3	42.78

Quail Ridge Golf Course Certificates of Participation Debt [2]						
Year	Golf Course Fees	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$ 468	\$ 615	\$ (147)	\$ 325	\$ 20	(0.43)
2011	459	753	(294)	352	7	(0.82)
2012	449	674	(225)	-	-	-
2013	412	564	(152)	-	-	-
2014	348	539	(191)	-	-	-
2015	347	611	(264)	-	-	-
2016	310	557	(247)	-	-	-
2017	318	678	(360)	-	-	-
2018	320	754	(434)	-	-	-
2019	274	789	(515)	-	-	-

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Operating expenses do not include interest/amortization expense, but do include payments in lieu of franchise fees.

[2] Certification of Participation was paid in full in 2012.

CITY OF WINFIELD, KANSAS

Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(dollars in thousands)

Table 13 (cont.)

Special Assessment Bonds				
Year	Special Assessment	Debt Service [1]		Coverage
	Collections	Principal	Interest	
2010	\$ 206	\$ 186	\$ 152	0.61
2011	208	192	145	0.62
2012	257	219	138	0.72
2013	205	225	130	0.58
2014	224	237	121	0.63
2015	205	253	112	0.56
2016	243	260	102	0.67
2017	224	182	65	0.91
2018	232	175	60	0.99
2019	241	207	41	0.97

Sales Tax Revenue Bonds [2]				
Year	Sales Tax	Debt Service		Coverage
	Collections	Principal	Interest	
2010	\$ 1,653	\$ 25	\$ 1	63.58
2011	1,781	-	-	-
2012	1,746	-	-	-
2013	1,766	-	-	-
2014	2	-	-	-
2015	2,698	-	-	-
2016	2,653	-	-	-
2017	2,629	-	-	-
2018	2,557	-	-	-
2019	2,560	-	-	-

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Debt service includes total project costs, including city-at-large portion.

[2] The City's 1 percent sales tax is pledged against payment of the 2002 refunding sales tax bonds. Bonds paid in full in 2010.

# CITY OF WINFIELD, KANSAS

## Pledged-Revenue Coverage Last Ten Fiscal Years (dollars in thousands)

Table 13 (concluded)

Year	Stormwater Debt						Coverage
	Stormwater Revenue Collections	Less: Operating Expenses [1]	Net Available Revenue	Debt Service			
				Principal	Interest		
2010	\$ 149	\$ 61	\$ 88	\$ 75	\$ 23		0.90
2011	150	114	36	82	9		0.40
2012	150	106	44	84	7		0.48
2013	152	110	42	85	6		0.46
2014	151	94	57	87	6		0.61
2015	150	132	18	90	3		0.19
2016	150	35	115	91	1		1.25
2017	149	28	121	-	-		-
2018	156	54	102	-	-		-
2019	169	50	119	-	-		-

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Operating expenses do not include interest/amortization expense, but do include payments in lieu of franchise fees.



# CITY OF WINFIELD, KANSAS

## Demographic and Economic Statistics, Last Ten Fiscal Years

Table 14

Year	Population [1]	Personal Income [2] ( <i>thousands of dollars</i> )	Per Capita Personal Income [2]*	School Enrollment [3]	Unemployment Rate [4]
2010	12,301	\$ 1,135,511	\$ 30,359	\$ 2,536	7.10%
2011	12,292	1,196,317	32,982	2,461	6.20%
2012	12,365	1,199,453	37,004	2,318	5.80%
2013	12,333	1,454,597	38,278	2,449	4.80%
2014	12,258	1,390,203	38,656	2,332	4.40%
2015	12,204	1,390,203	38,656	2,156	4.50%
2016	12,284	1,337,790	37,381	2,303	4.20%
2017	12,104	1,295,687	36,240	2,290	3.00%
2018	12,057	1,315,552	37,203	2,175	3.10%
2019	11,943	1,363,188	38,707	2,284	3.20%

[1] Provided by League of Kansas Municipalities.

[2] Provided by U.S. Bureau of Economic Analysis.

[3] Provided by U.S.D. #465. Includes public school system only. Non-weighted FTE.

[4] From [cowleycounty.org/employment-statistics](http://cowleycounty.org/employment-statistics), end of year.

\* in 2012, Kansas University Institute for Policy and Social Research combined City of Arkansas City and City of Winfield as a Micropolitan Area.

CITY OF WINFIELD, KANSAS

Principal Employers, Current Year and Nine Years Ago

Table 15

Employer	2019			2010		
	Estimated Employees	Rank	Percentage of Total County Employment	Estimated Employees	Rank	Percentage of Total County Employment
Creekstone Premium Beef	850	1	6.02%	720	3	4.24%
Newell-Rubbermaid	800	2	5.66%	565	4	3.32%
General Electric Aviation	750	3	5.31%	740	2	4.35%
USD #465	625	4	4.42%	770	1	4.53%
USD #470	444	5	2.19%	463	5	2.72%
William Newton Memorial Hospital	310	6	2.19%	325	6	1.91%
Kan-Pak	277	7	1.96%	208	8	1.22%
Silgan Dispensing	276	8	1.95%	-		
SCKRMC	215	9	1.52%	-		
Southwestern College	214	10	1.51%	195	9	1.15%
Cowley College				190	10	1.12%
Calmar, Inc (MeadWestVaco)				315	7	1.85%
Total employment	16,223					

Source: cowleycounty.org and KS Dept of Labor

The City of Winfield is located approximately twelve miles from the city of Arkansas City, Kansas (population 12,063). Both cities are located in Cowley County, and many employers have work forces consisting of residents of both cities. Major employers listed above are for the Arkansas City/Winfield populations.

CITY OF WINFIELD, KANSAS

Full-time Equivalent Employees by Function  
Last Ten Fiscal Years

Table 16

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Management services	13	13	13	14	13	13	16	13	14	15
Legal/court	2	2	2	2	2	2	2	2	2	2
Utility billing	7	7	8	7	7	7	9	8	8	8
Engineering	8	7	8	7	7	7	7	6	5	5
Service and operations center	9	8	9	10	10	10	10	7	9	9
Public safety										
Fire	20	19	19	20	28	29	26	29	31	31
Police	32	31	31	26	31	30	26	26	29	28
Public works/stormwater	6	6	6	6	6	6	6	6	6	6
Cemetery	2	2	2	2	2	2	2	2	2	2
Culture and recreation	9	9	9	9	9	9	9	8	8	10
Health and welfare										
Economic development										
Electric	29	29	28	26	26	25	24	26	24	24
Gas	10	9	8	8	8	8	8	8	7	7
Water	12	12	11	12	12	10	11	10	11	10
Refuse	10	10	9	8	8	9	8	8	7	8
Wastewater	8	8	8	8	8	8	8	8	8	9
Golf course	4	4	3	3	2	3	2	4	4	4
Total	181	176	174	168	179	178	174	171	175	178

Source: City records

CITY OF WINFIELD, KANSAS

Operating Indicators by Function/Program  
Last Ten Fiscal Years

Table 17

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Building permits issued	381	328	324	313	310	353	310	454	390	366
Municipal court cases	908	1,066	929	984	799	901	739	937	701	380
Police										
Class I Offenses	610	762	615	734	558	548	434	422	534	534
Domestic Violence/										
DUI/Drug Arrests	385	276	181	201	165	131	105	181	199	168
Accidents	362	311	346	322	304	N/A	316	284	296	304
Fire/EMS										
Total responses*	1,682	1,723	1,734	1,606	2,239	2,527	2,788	3,205	3,204	2,885
Parks and recreation										
Aquatic center attendance	20,618	20,565	17,613	14,441	15,888	N/A	16,480	15,963	15,190	17,423
Annual lake permits	3,088	2,159	1,548	1,429	1,811	2,035	2,160	2,166	2,106	2,026
Cemetery										
Cemetery spaces sold	62	77	77	49	45	33	43	100	62	54
Streets maintenance										
Resurfacing, annual in tons	1,285	4,660	5,774	3,220	3,583	2,515	2,902	8,514	4,056	10,996
Electric utility										
MWH sold, annual	281,210	277,467	293,650	304,843	309,246	292,191	295,480	291,868	292,223	276,099
Peak daily consumption, MWH	61,132	65,385	66,825	64,734	63,408	61,300	64,376	63,563	61,447	60,086
Gas Utility										
MCF sold, annual	582,502	574,253	469,299	573,585	648,287	518,406	445,930	473,019	572,692	592,702
Water Utility										
Gallons sold annual, in thousands	688,586	762,729	741,021	705,878	700,180	633,399	583,415	583,606	624,514	510,797
Refuse (annual tons, in thousands)										
Refuse collected	8,170	8,032	7,617	7,784	7,783	7,640	7,813	8,059	7,785	7,844
Recyclables collected	1,174	1,147	1,150	518	697	827	887	988	1,009	986
Wastewater Utility										
Sewage treatment, avg daily flow (in thousands of gallons)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500

Sources: City departments

In July 2014, City of Winfield Fire Department took over Winfield Area EMS operations. Includes Fire & EMS calls.  
N/A - information not available

CITY OF WINFIELD, KANSAS

Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

Table 18

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units (marked)	17	17	17	22	23	26	25	26	28	
Fire stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	130	130	130	130	130	130	130	130	130	130
Parks and recreation										
Public park acreage	294	294	294	294	294	296	296	296	435	435
Base/softball diamonds	5	5	5	5	5	5	5	5	7	7
Soccer fields	6	6	6	6	6	6	6	6	6	6
Football fields	1	1	1	1	1	1	1	1	1	1
Electric Utility										
Electric lines (miles) [1]	114	114	114	114	114	114	114	114	114	114
Gas Utility										
Gas main lines (miles) [1]	95	95	95	95	94	94	94	94	94	94
Water Utility										
Water main lines (miles) [1]	95	95	95	95	95	95	95	95	118	118
Fire hydrants [1]	535	535	535	535	535	535	535	535	535	535
Storage capacity (thousands)	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750	2,750
Refuse										
Collection trucks	5	5	5	5	5	5	5	5	6	6
Wastewater										
Sanitary sewer (miles)	71	71	73	73	76	76	76	76	76	76
Treatment capacity (thousands, per day)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000