



**The Mense  
CPA Firm, LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

To the County Commission  
Sewer District No. 1 of Cherokee County, Kansas

Management is responsible for the accompanying projection of Sewer District No. 1 of Cherokee County, Kansas, which comprises the projected financial receipts, expenditures and unencumbered cash – regulatory basis for the years ending December 31, 2020 and December 31, 2021 and the actual receipts, expenditures and unencumbered cash – regulatory basis for the year ended December 31, 2019, based on our audit of the financial statement dated July 27, 2020, including the related summaries of significant assumptions in accordance with guidelines for the presentation of a projection established by the American Institute of Certified Public Accountants (AICPA), and for determining that the regulatory basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not examine or review the projection for the years ending December 31, 2020 or 2021 nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this projection.

The financial projection is prepared under the regulatory basis of accounting in the prescribed form required by the State of Kansas, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The projected results may not be achieved as there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and these differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Management has elected to omit substantially all the disclosures required by guidelines for the presentation of a projection established by the AICPA other than those related to the significant assumptions. If the omitted disclosures were included in the projection, they might influence the user's conclusion about Sewer District No. 1 of Cherokee County, Kansas's projected receipts, expenditures and unencumbered cash - regulatory basis. Accordingly, the projection is not designed for those who are not informed about such matters.

The Mense CPA Firm, LLC  
Certified Public Accountants

Joplin, Missouri  
August 10, 2020

**CERTIFICATE**

To the Clerk of Cherokee County, State of Kansas

We, the undersigned, officers of

**Sewer District No 1**

certify that: (1) the hearing mentioned in the attached publication was held;  
(2) after the Budget Hearing this budget was duly approved and adopted  
maximum expenditures for the various funds for the year 2021; and (3) the  
Amount(s) of 2020 Ad Valorem Tax are within statutory limitations for the 2021 Budget.

		2021 Adopted Budget			
Table of Contents:		Page No.	Budget Authority for Expenditures	Amount of 2020 Ad Valorem Tax	County Clerk's Use Only
Computation to Determine Limit for 2021		2			
Allocation MVT, RVT, 16/20M Vehicle Tax		3			
Schedule of Transfers		4			
Statement of Indebt. & Lease/Purchase		5			
<b>Fund</b>	<b>K.S.A.</b>				
General	19-27a03	6	232,375		
Debt Service	10-113	7			
<b>Totals</b>		xxxxxxx	232,375	0	
Budget Summary		8			County Clerk's Use Only
Neighborhood Revitalization Rebate					
Resolution required? Notice of the vote to adopt required to be published?			No		Nov. 1, 2020 Total Assessed Valuation

Assisted by:  
The Mense CPA Firm LLC

Address:  
2001 Byers Ave  
Joplin MO 64804-1835  
Email:  
gmense@mensecpas.com

Attest: \_\_\_\_\_, 2020

\_\_\_\_\_  
County Clerk

\_\_\_\_\_  
Governing Body

See Accountant's Compilation Report and Summary of Significant Assumptions.

**Computation to Determine Limit for 2021**

	<b>Amount of Levy</b>
1. Total tax levy amount in 2020 budget	+ \$ <u>0</u>
2. Debt service levy in 2020 budget	- \$ <u>0</u>
3. Tax levy excluding debt service	\$ <u>0</u>

**2020 Valuation Information for Valuation Adjustments**

4. New improvements for 2020:	+		0	
5. Increase in personal property for 2020:				
5a. Personal property 2020	+		0	
5b. Personal property 2019	-		0	
5c. Increase in personal property (5a minus 5b)	+		0	
				(Use Only if > 0)
6. Valuation of property that has changed in use during 2020:			0	
7. Total valuation adjustment (sum of 4, 5c, 6)			0	
8. Total estimated valuation July, 1,2020			0	
9. Total valuation less valuation adjustment (8 minus 7)			0	
10. Factor for increase (7 divided by 9)			0.00000	
11. Amount of increase (10 times 3)	+ \$		0	
12. 2021 budget tax levy, excluding debt service, prior to CPI adjustment (3 plus 11)	\$		0	
13. Debt service levy in this 2021 budget			0	
14. 2021 budget tax levy, including debt service, prior to CPI adjustment (12 plus 13)			0	
15. Consumer Price Index for all urban consumers for calendar year 2019			0.018	
16. Consumer Price Index adjustment (3 times 15)	\$		0	
17. Maximum levy for budget year 2021, including debt service, not requiring 'notice of vote publication' or adoption of a resolution prior to adoption of the budget (14 plus 16)	\$		0	

If the 2021 adopted budget includes a total property tax levy exceeding the dollar amount in line 17 you must, prior to adoption of such budget, adopt a resolution authorizing such levy and, subsequent to adoption of such budget, publish notice of vote by the governing body to adopt such budget in the official county newspaper and attach a copy of the published notice to this budget.

In no event will published notice of the vote be required if the total budget year tax levy is \$1,000 or less. See Accountant's Compilation Report and Summary of Significant Assumptions.

Sewer District No 1  
Cherokee County

2021

**Allocation of MV, RV, 16/20M, Commercial Vehicle, and Watercraft Tax Estimates**

2020 Budgeted Funds	Tax Levy Amount in 2020 Budget	Allocation for Year 2021				
		MVT	RVT	16/20M Veh	Comm Veh	Watercraft
General	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0
	0	0	0	0	0	0
Total	0	0	0	0	0	0

County Treas Motor Vehicle Estimate 0

County Treas Recreational Vehicle Estimate 0

County Treas 16/20M Vehicle Estimate 0

County Treas Commercial Vehicle Tax Estimate 0

County Treas Watercraft Tax Estimate 0

MVT Factor 0.00000

RVT Factor 0.00000

16/20M Factor 0.00000

Comm Veh Facto 0.00000

Watercraft Factor 0.00000

See Accountant's Completion Report and Summary of Significant Assumptions.









**NOTICE OF BUDGET HEARING**

State of Kansas  
Special District  
2021

The governing body of  
**Sewer District No 1**  
Cherokee County

will meet on August 24, 2020 at 10:00 AM at Cherokee County Courthouse for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of tax to levied.

Detailed budget information is available at County Clerk's Office and will be available at this hearing.

**BUDGET SUMMARY**

Proposed Budget 2021 Expenditures and Amount of 2020 Ad Valorem Tax establish the maximum limits of the 2021 budget. Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual 2019		Current Year Estimate for 2020		Proposed Budget Year for 2021		
	Expenditures	Actual Tax Rate*	Expenditures	Actual Tax Rate*	Budget Authority for Expenditures	Amount of 2020 Ad Valorem Tax	Estimate Tax Rate*
General	176,805		186,555		232,375		
Debt Service							
Totals	176,805	0.000	186,555	0.000	232,375	0	0.000
Less: Transfers	0		0		0		
Net Expenditures	176,805		186,555		232,375		
Total Tax Levied	0		0		xxxxxxxxxxxxxxxxxxxx		
Assessed Valuation	0		0		0		

Outstanding Indebtedness,

Jan 1,	2018	2019	2020
G.O. Bonds	0	0	0
Revenue Bonds	0	0	0
Other	195,820	185,423	174,751
Lease Pur. Princ.	535,000	404,000	350,000
Total	730,820	589,423	524,751

\*Tax rates are expressed in mills.

See Accountant's Compilation Report and Summary of Significant Assumptions.

Kyle Rennie  
County Clerk

**SEWER DISTRICT NO. 1 OF CHEROKEE COUNTY, KANSAS**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Note A: NATURE OF THE PROJECTION**

This financial projection presents, to the best of Management's knowledge and belief, the District's results of operations and significant changes in financial position for the projection period if the hypothetical assumptions occur. Accordingly, the projection reflects management's judgment as of August 10, 2020, the date of this projection, of the expected conditions if the hypothetical assumptions occur. The presentation is designed to provide information for management and the County Clerk of the county that the District resides in, to calculate the tax levy needed to support the District's operations and other interested parties and should not be considered to be a presentation of expected future results. Accordingly, this projection may not be useful for other purposes. Furthermore, even if the hypothetical assumptions occur, there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. The assumptions disclosed herein are those that management believes are significant to the projection.

**Note B: SUMMARY OF SIGNIFICANT ASSUMPTIONS**

1. Receipts for services will be collected as projected and be sufficient to make payments on the District's debt.
2. Expenditures will be spent as appropriated.
3. Unencumbered cash balances will be as projected.
4. There will not be any catastrophic events or circumstances beyond the District's control that would affect the above assumptions.
5. The COVID-19 pandemic could have an effect on the District's receipts, the specific impact is not readily determinable.