

CITY OF WELLSVILLE
WELLSVILLE, KANSAS

Independent Auditors' Report, and Regulatory Basis Financial Statement
With Regulatory- Required Supplementary Information
For the Year Ended December 31, 2022

Gregg A. Neis CPA

CERTIFIED PUBLIC ACCOUNTANT

CITY OF WELLSVILLE
WELLSVILLE, KANSAS

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CITY OF WELLSVILLE
WELLSVILLE, KANSAS

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

November 27, 2023

The Honorable Mayor and City Council
City of Wellsville, Kansas

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Wellsville, Kansas as of and for the year ended December 31, 2022, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of my report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Wellsville, Kansas (City) as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Wellsville, Kansas (City) as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1

Basis for Adverse and Unmodified Opinions

I conducted the audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am required to be independent of the City, and to meet the other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

My objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, I have:

- exercised professional judgment and maintain professional skepticism throughout the audit.
- identified and assessed the risks of material misstatement of the financial statement, whether due to fraud or error, and design and performed audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtained an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluated the overall presentation of the financial statement.
- concluded whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.


I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I have identified during the audit.

Supplementary Information

I have conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however, are required

to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

I also previously audited in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Wellsville, Kansas as of and for the year ended 2021 (not presented herein), and issued my report thereon dated December 14, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration web address <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2021 actual columns (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) are presented for additional analysis and are not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement, as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1.



Gregg A. Neis CPA

CITY OF WELLSVILLE, KANSAS

Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis

For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Balance	Prior Year Cancelled Encumbrance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:							
General	\$ 120,922	\$ -	\$ 1,222,901	\$ 1,245,100	\$ 98,723		\$ 98,723
Special Purpose Funds:							
Employee Benefit	12,146		116,691	103,324	25,513	-	25,513
Special Tort Claim	8,566		32,300	33,920	6,946	-	6,946
Library	571		93,179	91,508	2,242	-	2,242
Library Employee Benefit	-		7,881	7,860	21	-	21
Capital Improvement	5,947		43,975	45,045	4,877	-	4,877
Special Highway	6,906		50,302	50,793	6,415	-	6,415
Combined Sales Tax Improvement	-		334,482	323,018	11,464	-	11,464
Community Enhancement Sales Tax Fund	140,289		139,456	35,821	243,924	-	243,924
Fire Improvement Reserve	31,755		-	-	31,755	-	31,755
Police Improvement Reserve	-		-	-	-	-	-
Park Improvement Reserve	26,877		712	-	27,589	-	27,589
Street Improvement Reserve	376,000		-	-	376,000	-	376,000
Public Works Equipment Reserve	14,671		-	2,493	12,178	-	12,178
Employee Benefit Trust Reserve	22,420		22,974	25,120	20,274	-	20,274
Capital Improvement Engineer/Design Reserve	7,850		-	-	7,850	-	7,850
Grant Fund Cares Act	286,002		135,898	133,147	288,753	-	288,753
Capital Project Fund:							
General Obligation Bonds 2018	292,593		637,657	301,931	628,319	-	628,319
Debt Service Fund:							
Bond and Interest	37,969		4,667	42,600	36	-	36
Business Type Funds:							
Water/ Sewer Utility Operating	309,493		992,037	1,037,867	263,663	-	263,663
Water/ Sewer Utility Reserve	68,604		9,780	27,788	50,596	-	50,596
Agency and Trust Funds:							
Payroll Clearing and Court Escrow	-		13,268	13,268	-	13,268	13,268
Cemetery Perpetual Care	43,615		34	-	43,649	-	43,649
Total Primary Government	\$ 1,813,196	\$ -	\$ 3,858,194	\$ 3,520,603	\$ 2,150,787	\$ 13,268	\$ 2,164,055
Related Municipal Entity							
Library Board	98,205		139,581	131,599	106,187	-	106,187
Library Board Building Reserve	497,080		51,245	37,383	510,942	-	510,942
Total Related Municipal Entity	595,285		190,826	168,982	617,129	-	617,129
Total Reporting Entity	\$ 2,408,481	\$ -	\$ 4,049,020	\$ 3,689,585	\$ 2,767,916	\$ 13,268	\$ 2,781,184

Landmark National Bank, Wellsville, Kansas
Checking accounts \$1,581,597
Savings accounts 182,458
Certificates of deposit 400,000

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

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Wellsville, Kansas, (the City) is a municipal corporation governed by a mayor and a five member council. The financial statement present the City and its related municipal entity for which the City is considered to be financially accountable.

Related Municipal Entity. The Wellsville City Public Library (Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Because the Library is not a separate taxing entity, the City levies taxes for the Library's operations. The Library is presented as a governmental fund type. Complete financial statements are available for the Library for the year ended December 31, 2022.

Basis of Accounting

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

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

Departure from Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts (except as noted), cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the City are not presented in the financial statements. Also, long-term debt such as general obligation bonds, temporary notes and compensated absences are not presented in the financial statements. Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase, as required by state statutes.

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES – Continued

Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the City:

Governmental Funds

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Fund - to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Capital Project Fund - – to account for resources designated to construct or acquire capital facilities and improvements (other than those financed by business funds and trust funds).

Bond and Interest Fund - to account for the accumulation of resources for, and the payment of, general long-term obligation principal and interest, and the financing of special assessments which are general obligations of the city.

Business funds:

Enterprise funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Funds

Trust and Agency Funds - to account for the assets held in a trustee capacity or as an agent for individuals, other governmental units, private organizations, and/or other funds (payroll clearing, cemetery care)

Deposits and Investments

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

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES – Continued

Deposits and Investments Continued

Investments. K.S. A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; US government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A.9-1402 and 9-1405.

Custodial credit risk- deposits. Custodial credit risk is the risk that in event of a bank failure, the City's deposits in financial institutions to be entirely covered by federal depository insurance (FDIC) or collateral held under a joint custody receipt issued by a bank within the State of Kansas, the federal reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured December 31, 2022.

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

Deposits At December 31, 2022 the carrying amount of the City's deposits, was \$2,164,055. The bank balance was \$ 2,247,012. The bank balance was held at one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining \$1,997,012 was collateralized by securities held by the pledging institution's agents in the City's name.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide the following sequence and timetable in the adoption of the legal annual budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the current year.

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES – Continued

Budgetary Information Continued

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

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

A legal operating budget is not required for capital projects funds, trust and agency funds and the following special purpose funds:

Utility Reserve Fund	Capital Improvement Design Reserve Fund
Grant Fund	Fire Improvement Reserve Fund
Police Improvement Reserve Fund	Park Improvement Reserve Fund
Street Improvement Reserve Fund	Public Works Improvement Reserve

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

NOTE 2 – LONG TERM DEBT

The City has entered into lease agreements for the acquisition of equipment in the current and prior years including police cars and radios, police office remodeling, and street equipment. These lease agreements qualify as finance leases for accounting purposes (titles transfer at the end of lease term).

The City of Wellsville, Kansas entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) effective as of May 26, 2001 and Amendment No.3 effective as of September 6, 2016 whereby KDHE will loan an amount not to exceed \$2,791,976 to the City for the purpose of financing wastewater treatment facilities. The loan agreement provides for interest at 3.11% per annum on the unpaid principal balance and requires the City to collect revenues from the wastewater treatment system sufficient in amount to pay the cost of the operation and maintenance of the wastewater treatment system, pay the principal of and interest on the loan as and when the same become due, and pay all other amounts due under the loan agreement. Loan payments of \$99,209 began March 1, 2016 and are due semi-annually thereafter thru March 1, 2024. At December 31, 2022, the remaining principal balance was \$ 186,652.

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 2 – LONG TERM DEBT – Continued

On November 20, 2018 the City issued \$1,940,000 Series 2018 general obligation bonds to finance capital improvements and pay issuance costs with annual payments due of \$184,625 beginning in 2020 maturing 12/01/2033 with an interest rate of 3.5 to 5 %. At December 31, 2022, the remaining principal balance was \$ 1,610,000.

The following schedule shows the changes in long-term debt and related maturities.

Issue and Date	Interest Rate	Original Amount	Balance 1/1/2022	Additions	Principal Payments	Balance 12/31/2022	Interest Paid
2018 General Obligation	3.75% - 5.00%	\$ 1,940,000	\$ 1,725,000	\$ -	\$ 115,000	\$ 1,610,000	\$ 69,125
Equipment Financial Leases	2.71% - 5.00%	\$ 553,957	\$ 54,312	\$ 500,000	\$ 38,292	\$ 516,020	\$ 2,372
5/31/2001 KDHE Revolving Loan	3.11%	\$ 2,651,611	\$ 367,631	\$ -	\$ 180,979	\$ 186,652	\$ 10,039
Total Indebtedness		\$ 5,145,568	\$ 2,146,943	\$ 500,000	\$ 334,271	\$ 2,312,672	\$ 81,536

Maturity Schedule

	Principal Due	Interest Due
2023	\$343,410	\$ 84,684
2024	\$196,024	\$ 74,521
2025	\$175,071	\$ 65,652
2026	\$181,687	\$ 59,611
2027	\$188,321	\$ 57,977
thereafter	<u>\$1,228,159</u>	<u>\$162,289</u>
	<u>\$ 2,312,672</u>	<u>\$ 504,735</u>

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 3- DEFINED BENEFIT PENSION PLAN

The City of Wellsville Kansas participates in the Kansas Public Employees Retirement System (KPERs), a cost sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. KPERs' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERs website at www.kpers.org or by writing KPERs (611 South Kansas Avenue; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

Contributions K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERs member-employee contribution rates. KPERs has multiple benefit structure 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 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. Member-employees' contributions are withheld by their employer and paid to KPERs according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERs 1, KPERs 2 and KPERs 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for the fiscal year ended December 31, 2022. The City's employer contributions to KPERs for the year ending December 31, 2022, were \$ 66,458 equal to the statutory required contributions for the year.

Net Pension Liability: At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERs was \$ 633,749. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contribution to KPERs relative to the total employer and non-employer contributions of the Local subgroup of KPERs. Since the KMMAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements. The complete actuarial valuation report may be obtained from the web site of KPERs at the following link www.kpers.org.

NOTE 4 – OTHER LONG- TERM OBLIGATIONS FROM OPERATIONS

Compensated Absences

The City's policy regarding vacation leave allows employees to earn vacation time based upon length of service. Annual vacation time is payable upon termination of employment. Sick leave may be accumulated to a maximum of 90 days. Upon termination of employment, all accrued sick leave shall be lost and have no monetary value except when the employee retires, is permanently disabled or dies. At December 31, 2022, the City has estimated the cost of accumulated sick pay or vacation time at \$ 92,600..

CITY OF WELLSVILLE
WELLSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2022

NOTE 5 – CAPITAL PROJECTS

Capital project authorizations, with approved change orders, compared with expenditures from inception, are as follows.

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
2018 General Obligation Bonds	\$ 1,940,000	\$1,821,448

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Finance-Related Legal and Contractual Provisions

Management was not aware of any statutory violations.

NOTE 8 – LITIGATION

The City is a party to various claims, none of which is expected to have a material financial impact on the City.

NOTE 9 – CARES ACT FUNDING

As a result of COVID 19, the State of Kansas received CARES Act funds from the Federal Government for local government response to the pandemic. The City applied for and received \$ 135,898 in CARES Act funds for the fiscal year 2022.

NOTE 10 – SUBSEQUENT EVENTS

The City has evaluated subsequent events through November 27, 2023, the date which the financial statements were available to be issued. There were no subsequent events requiring recognition in the financial statement or disclosure in the notes to the financial statement.

On March 8, 2023 the City issued \$2,180,000 Series 2023-A general temporary notes to finance special benefit district capital improvements with semiannual payments due of \$ 79,542 beginning in 10/1/2023 maturing 4/01/2025 with an interest rate of 3.95%. The City intends to issue general obligation bonds to permanently finance the cost of the improvements.

**CITY OF WELLSVILLE
WELLSVILLE, KANSAS**

REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

CITY OF WELLSVILLE, KANSAS

Summary of Expenditures – Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavorable)</u>
Governmental Type Funds:					
General	\$ 1,215,896	\$ 37,381	\$ 1,253,277	\$ 1,245,100	\$ 8,177
Special Revenue Funds:					
Employee Benefit	128,000	-	128,000	103,324	24,676
Special Tort Claim	33,920	-	33,920	33,920	-
Library	92,883	-	92,883	91,508	1,375
Library Employee Benefit	8,000	-	8,000	7,860	140
Capital Improvement	66,364	-	66,364	45,045	21,319
Special Highway	50,793	-	50,793	50,793	-
Combined Sales Tax Improvement	235,000	99,482	334,482	323,018	11,464
Community Sales Tax Improvemer	192,000	-	192,000	35,821	156,179
Debt Service Fund:					
Bond and Interest	45,000	-	45,000	42,600	2,400
Proprietary Type Funds:					
Water/ Sewer Utility Operating	1,136,443	74,248	1,210,691	1,037,867	172,824

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

General Fund

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Ad Valorem Property Taxes	\$ 612,457	\$ 653,877	\$ 671,617	\$ (17,740)
Delinquent Property Tax	11,362	20,301	-	20,301
Motor Vehicle Taxes	77,432	72,314	63,780	8,534
Rec. Vehicle Tax	1,812	1,642	1,357	285
Commercial Vehicle/Watercraft	2,566	1,971	2,580	(609)
Local Sales Tax	185,815	276,725	182,500	94,225
Local Alcoholic Liquor Tax		3,329	-	3,329
Utility Franchise Tax	52,635	49,911	34,000	15,911
Police Fines	27,443	37,900	15,000	22,900
Building Permits	1,503	15,605	2,500	13,105
License and Permits	3,099	4,154	-	4,154
Swimming Pool Admissions	8,549	9,823	7,500	2,323
Cemetery Fees	16,975	10,675	2,000	8,675
Fire Station Rent	26,400	26,400	26,400	-
Reimbursed Expenses	55,761	37,381	-	37,381
Interest on Idle Funds	1,220	893	-	893
Total Cash Receipts	1,085,029	1,222,901	1,009,234	213,667
Expenditures				
General Administration	182,906	220,656	160,526	(60,130)
General Administration Court	5,749	4,617	12,875	8,258
Police Department	440,534	479,991	387,000	(92,991)
Fire Department	16,547	9,104	8,000	(1,104)
Parks Department	45,213	58,646	30,000	(28,646)
Pool Operations	48,711	59,107	46,350	(12,757)
Street Department	130,013	181,068	165,000	(16,068)
Planning Department	92,728	98,342	76,385	(21,957)
Public Works - Salary Benefits			24,000	
Public Works - Engineering and Design	-	11,215	120,000	108,785
Police Special Budget	385,693	76,464	44,760	(31,704)
Bea Peck Animal Shelter	1,000	1,000		
Cemetery Maintenance	15,745	20,890	42,000	21,110
Total expenditures	1,364,839	1,221,100	1,116,896	(104,204)
Receipts Over (Under) Expenditures	(279,810)	1,801	(107,662)	109,463
Other Financing Sources (Uses)				
Capital Lease Proceeds	-	-	-	-
Operating transfers out		(24,000)	(99,000)	75,000
Total other financing sources (uses)	-	(24,000)	(99,000)	75,000
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(279,810)	(22,199)	(206,662)	184,463
Unencumbered Cash Balance - Beginning	400,732	120,922	206,662	(85,740)
Prior Year Cancelled Encumbrance	-	-	-	-
Unencumbered Cash Balance - Ending	\$ 120,922	\$ 98,723	\$ -	\$ 98,723

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Employee Benefit FundSchedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year			Variance Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Ad Valorem Property Taxes	\$102,616	\$ 101,445	\$104,198	\$ (2,753)
Delinquent Property Tax	1,530	2,634		2,634
Motor Vehicle Taxes	8,860	12,012	10,691	1,321
Commercial Vehicle/Watercraft	303	325	432	
Rec. Vehicle Tax	201	275	227	
Interest on Idle Funds			-	-
Total Cash Receipts	113,510	116,691	115,548	1,143
Expenditures				
Social Security Payroll Taxes	41,949	44,302	45,000	698
Unemployment Taxes	7,525	8,338	8,000	(338)
KPERS Retirement	46,854	50,545	38,000	(12,545)
Insurance Health Life	24,212	139	35,000	34,861
Employee Retirement Benefit				-
Total expenditures	120,540	103,324	126,000	22,676
Receipts Over (Under) Expenditures	(7,030)	13,367	(10,452)	23,819
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	-
Operating transfers out			(2,000)	(2,000)
Total other financing sources (uses)	-	-	(2,000)	(2,000)
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(7,030)	13,367	(12,452)	21,819
Unencumbered Cash Balance - Beginning	19,176	12,146	12,452	(306)
Unencumbered Cash Balance - Ending	\$ 12,146	\$ 25,513	\$ -	\$ 21,513

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Special Tort Claim Fund

Schedule of Receipts and Expenditures – Actual and Budget

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year				Prior Year Actual
	Prior Year Actual	Actual	Budget	Variance Favorable (Unfavorable)	
Cash Receipts					
Ad Valorem Property Taxes	\$ 28,108	\$ 25,475	\$26,155	\$ (680)	\$ 16,381
Delinquent Property Tax	553	928		928	502
Special Assessment Weed Control	3,735	2,425		2,425	1,148
Motor Vehicle Taxes	3,139	3,307	2,928	379	2,863
Commercial Vehicle/Watercraft	104	90	118		93
Rec. Vehicle Tax	73	75	62	13	51
Total Cash Receipts	35,712	32,300	29,263	3,037	21,038
Expenditures					
Insurance Property and Liability	32,000	33,920	33,920	-	26,500
Total expenditures	32,000	33,920	33,920	-	26,500
Receipts Over (Under) Expenditures	3,712	(1,620)	(4,657)	3,037	(5,462)
Other Financing Sources (Uses)					
Operating transfers in	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Receipts and Other Sources Over (Under) and Expenditures and Other Uses	3,712	(1,620)	(4,657)	3,037	(5,462)
Unencumbered Cash Balance - Beginning	4,854	8,566	4,657	3,909	8,611
Unencumbered Cash Balance - Ending	\$ 8,566	\$ 6,946	\$ -	\$ 6,946	\$ 3,149

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Library Levy Fund

Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

LIBRARY FUND	Current Year			
	Prior Year Actual	Actual	Budget	Variance Favorable (Unfavorable)
Cash Receipts				
Ad Valorem Property Taxes	\$ 85,023	\$ 79,843	\$81,998	\$ (2,155)
Delinquent Property Tax	1,652	2,803	1,000	1,803
Motor Vehicle Taxes	10,471	10,032	8,854	1,178
Commercial Vehicle/Watercraft	347	273	358	
Rec. Vehicle Tax	245	228	188	40
Total Cash Receipts	97,738	93,179	92,398	866
Expenditures				
City Building Reimbursements		375		
Appropriation to Library Board	97,647	91,133	92,883	1,750
Total expenditures	97,647	91,508	92,883	1,375
Receipts Over (Under) Expenditures	91	1,671	(485)	2,156
Receipts and Other Sources Over (Under) Expenditures and Other Uses	91	1,671	(485)	2,156
Unencumbered Cash Balance - Beginning	480	571	485	86
Unencumbered Cash Balance - Ending	\$ 571	\$ 2,242	\$ -	\$ 2,242
LIBRARY EMPLOYEE BENEFITS				
Cash Receipts				
Ad Valorem Property Taxes	\$ 2	\$ 7,657	\$ 8,000	\$ (343)
Delinquent Property Tax	114	224		224
Motor Vehicle Taxes	30	-	-	-
Commercial Vehicle/Watercraft				
Rec. Vehicle Tax & 60/2	1	-	-	-
Total Cash Receipts	147	7,881	8,000	(119)
Expenditures				
Appropriation to Library Board	240	7,860	8,000	140
Total expenditures	240	7,860	8,000	140
Receipts Over (Under) Expenditures	(93)	21	-	21
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(93)	21	-	21
Unencumbered Cash Balance - Beginning	93	-	-	-
Unencumbered Cash Balance - Ending	\$ -	\$ 21	\$ -	\$ 21

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Capital Improvement Fund

Schedule of Receipts and Expenditures – Actual and Budget

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance- Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Park Impact Fees	\$ -	\$ -	\$ -	\$ -
Reimbursed Expenses		19,975	-	19,975
Investment Income			-	-
Total Cash Receipts	-	19,975	-	-
Expenditures				
Insurance Replacement				
Building Maintenance	-	-	-	-
Building Improvements	112,417	45,045	66,364	21,319
Total expenditures	112,417	45,045	66,364	21,319
Receipts Over (Under) Expenditures	(112,417)	(25,070)	(66,364)	41,294
Other Financing Sources (Uses)				
Operating transfers in	24,000	24,000	24,000	-
Total other financing sources (uses)	24,000	24,000	24,000	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(88,417)	(1,070)	(42,364)	41,294
Unencumbered Cash Balance - Beginning	94,364	5,947	42,364	(7,601)
Prior Year Cancelled Encumbrance				-
Unencumbered Cash Balance - Ending	\$ 5,947	\$ 4,877	\$ -	\$ 33,693

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Special Highway Fund

Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year			Variance- Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
State Payments Gas Tax	\$ 51,734	\$ 50,302	\$45,800	\$ 4,502
Total Cash Receipts	51,734	50,302	45,800	4,502
Expenditures				
Streets and Highways	44,828	50,793	50,793	-
Total expenditures	44,828	50,793	50,793	-
Receipts Over (Under) Expenditures	6,906	(491)	(4,993)	4,502
Other Financing Sources (Uses)				
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	6,906	(491)	(4,993)	4,502
Unencumbered Cash Balance - Beginning	-	6,906	4,993	1,913
Unencumbered Cash Balance - Ending	\$ 6,906	\$ 6,415	\$ -	\$ 6,415

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Community Enhancement Sales Tax Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year			Variance- Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sales Tax	\$ 121,555	\$ 139,353	\$ 96,000	\$ 43,353
Reimbursed Expenses	1,000	103	-	103
Total Cash Receipts	122,555	139,456	96,000	103
Expenditures				
Capital Improvements		29,161		
Community Improvements	6,997	1,660	192,000	190,340
Community Organizations Support	40,000	5,000		(5,000)
Total expenditures	46,997	35,821	192,000	156,179
Receipts Over (Under) Expenditures	75,558	103,635	(96,000)	199,635
Other Financing Sources (Uses)				
Operating transfers out	-	-	-	-
Total other financing sources (used)	-	-	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	75,558	103,635	(96,000)	199,635
Unencumbered Cash Balance - Beginning	64,731	140,289	96,000	44,289
Unencumbered Cash Balance - Ending	\$ 140,289	\$ 243,924	\$ -	\$ 243,924

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Combined Sales Tax Improvement Fund

Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year			Variance- Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sales Tax	\$ 243,315	278,706	190,000	88,706
Reimbursed Expenses	86,536	55,776	45,000	10,776
Sidewalk Grant	500	-	-	-
Total Cash Receipts	330,351	334,482	235,000	99,482
Expenditures				
Public Safety Improvements				-
Sreet Improvements			-	-
Sidewalk Improvements	42,590	72,551		(72,551)
Building Improvements	2,678		-	-
Utility Improvements	16,863	36,667	21,200	(15,467)
Total expenditures	62,131	109,218	21,200	(88,018)
Receipts Over (Under) Expenditures	268,220	225,264	213,800	11,464
Other Financing Sources (Uses)				
Operating transfers in			-	-
Capital Lease Automated Utility	(53,670)			-
General Obligation 2018 Bond Issue	(184,875)	(184,125)	(184,125)	-
KDHE Revolving Loan Payments	(29,675)	(29,675)	(29,675)	(59,350)
Operating transfers out	-	-		-
Total other financing sources (uses)	(268,220)	(213,800)	(213,800)	(59,350)
Receipts and Other Sources Over (Under) Expenditures and Other Uses	-	11,464	-	(47,886)
Unencumbered Cash Balance - Beginning	-	-	-	-
Prior Year Cancelled Encumbrance	-	-	-	-
Unencumbered Cash Balance - Ending	\$ -	\$ 11,464	\$ -	\$ (47,886)

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Equipment Reserve Fund

Schedule of Receipts and Expenditures – Actual Only*

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Fire Improvement Reserve		
Cash Receipts		
Memorials and other donations	\$ -	\$ -
Equipment grant	-	-
Total Cash Receipts	-	-
Expenditures		
Capital Improvements	-	-
Total expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Other Financing Sources (Uses)		
Operating transfers in	-	-
Total other financing sources (uses)	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	-	-
Unencumbered Cash Balance - Beginning	31,755	31,755
Unencumbered Cash Balance - Ending	<u>\$ 31,755</u>	<u>\$ 31,755</u>
<i>*This fund is not required to be budgeted.</i>		
	Prior Year Actual	Current Year Actual
Police Improvement Reserve		
Cash Receipts		
Reimbursed Expenses		
Memorials and other donations	-	-
Total Cash Receipts	-	-
Expenditures		
Capital Improvements	49,792	-
Total expenditures	49,792	-
Receipts Over (Under) Expenditures	(49,792)	-
Other Financing Sources (Uses)		
Operating transfers in	-	-
Total other financing sources (uses)	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(49,792)	-
Unencumbered Cash Balance - Beginning	49,792	-
Unencumbered Cash Balance - Ending	<u>\$ -</u>	<u>\$ -</u>
<i>*This fund is not required to be budgeted.</i>		

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Equipment Reserve Fund
 Schedule of Receipts and Expenditures – Actual Only*
 Regulatory Basis
 For the year ended December 31, 2022
 (With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Park Improvement Reserve		
Cash Receipts		
Memorials and other donations	\$ -	
Fire Insurance Fees	21,998	
Park Impact Fees	-	700
Investment Income	8	12
Total Cash Receipts	<u>22,006</u>	<u>712</u>
Expenditures		
Fire Insurance Payments	21,998	-
Capital Improvements	-	-
Total expenditures	<u>21,998</u>	<u>-</u>
Receipts Over (Under) Expenditures	<u>8</u>	<u>712</u>
Other Financing Sources (Uses)		
Operating transfers in	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	<u>8</u>	<u>712</u>
Unencumbered Cash Balance - Beginning	<u>26,869</u>	<u>26,877</u>
Unencumbered Cash Balance - Ending	<u>\$ 26,877</u>	<u>\$ 27,589</u>
<i>*This fund is not required to be budgeted.</i>		
	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Street Improvement Reserve		
Cash Receipts		
Reimbursed Expenses	\$ -	\$ -
Memorials and other donations	-	-
Total Cash Receipts	<u>-</u>	<u>-</u>
Expenditures		
Capital Improvements	-	-
Total expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)		
Operating transfers in	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>-</u>
Unencumbered Cash Balance - Beginning	<u>376,000</u>	<u>376,000</u>
Unencumbered Cash Balance - Ending	<u>\$ 376,000</u>	<u>\$ 376,000</u>

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Equipment and Employee Benefit Trust Reserve
 Schedule of Receipts and Expenditures – Actual Only*
 Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Public Works Equipment Reserve		
Cash Receipts		
Investment Income	\$ -	\$ -
Insurance Reimbursement		
Equipment sales	-	-
Total Cash Receipts	-	-
Expenditures		
Equipment Purchases	62,981	2,493
Capital Improvements	-	-
Total expenditures	62,981	2,493
Receipts Over (Under) Expenditures	(62,981)	(2,493)
Other Financing Sources (Uses)		
Operating transfers in		-
Total other financing sources (uses)	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(62,981)	(2,493)
Unencumbered Cash Balance - Beginning	77,652	14,671
Unencumbered Cash Balance - Ending	\$ 14,671	\$ 12,178
<i>*This fund is not required to be budgeted.</i>		
	Prior Year Actual	Current Year Actual
Employee Benefit Trust Reserve		
Cash Receipts		
Investment Income	\$ -	\$ 1
Employee medical deductible contributions	26,105	22,973
Total Cash Receipts	26,105	22,974
Expenditures		
Employee medical deductible payments	25,645	25,120
Total expenditures	25,645	25,120
Receipts Over (Under) Expenditures	460	(2,146)
Other Financing Sources (Uses)		
Operating transfers in	-	-
Operating transfers out	-	-
Total other financing sources (uses)	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	460	(2,146)
Unencumbered Cash Balance - Beginning	21,960	22,420
Unencumbered Cash Balance - Ending	\$ 22,420	\$ 20,274
<i>*This fund is not required to be budgeted.</i>		

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Capital Improvement Engineer/Design Reserve
 Schedule of Receipts and Expenditures – Actual Only*
 Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Capital Improvement Engineer/Design Reserve		
Cash Receipts		
Investment Income	\$ -	\$ -
Total Cash Receipts	<u>-</u>	<u>-</u>
Expenditures		
Capital Improvements	1,095	-
Total expenditures	<u>1,095</u>	<u>-</u>
Receipts Over (Under) Expenditures	<u>(1,095)</u>	<u>-</u>
Other Financing Sources (Uses)		
Operating transfers in	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	<u>(1,095)</u>	<u>-</u>
Unencumbered Cash Balance - Beginning	<u>8,945</u>	<u>7,850</u>
Unencumbered Cash Balance - Ending	<u>\$ 7,850</u>	<u>\$ 7,850</u>

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

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Grant Fund Cares Act

Schedule of Receipts and Expenditures – Actual Only*

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Cares Act Franklin County Reimbursement	\$ 13,315	
Cares Act Kansas Governor Reimbursement	135,095	135,898
Miscellaneous	-	-
Total Cash Receipts	<u>148,410</u>	<u>135,898</u>
Expenditures		
Public Sector	57,124	
Water and Sewer		133,147
Capital Improvements	-	-
Total expenditures	<u>57,124</u>	<u>133,147</u>
Receipts Over (Under) Expenditures	<u>91,286</u>	<u>2,751</u>
Other Financing Sources (Uses)		
Operating transfers in		-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	91,286	2,751
Unencumbered Cash Balance - Beginning	<u>194,716</u>	<u>286,002</u>
Unencumbered Cash Balance - Ending	<u>\$ 286,002</u>	<u>\$ 288,753</u>

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

See independent auditor's report on the required supplementary information.

CITY OF WELLSVILLE, KANSAS

Capital Project Fund

General Obligation Bonds Series 2018

Schedule of Receipts and Expenditures – Actual Only*

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Reimbursed Expense	\$ 61,329	\$ 637,657
Interest on Idle Funds	-	-
Total Cash Receipts	<u>61,329</u>	<u>637,657</u>
Expenditures		
Bond Issue Expense	2,600	
Bond Issue Engineer Expense	111,659	53,364
Walnut Storm Sewer		
Pine Street Sewer		128,295
K33 Water and Sewer	604,012	120,272
Pendleton/Stafford Road Utility Improvements		
Total expenditures	<u>718,271</u>	<u>301,931</u>
Receipts Over (Under) Expenditures	<u>(656,942)</u>	<u>335,726</u>
Other Financing Sources (Uses)		
Operating transfers in	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	<u>(656,942)</u>	<u>335,726</u>
Unencumbered Cash Balance - Beginning	<u>949,535</u>	<u>292,593</u>
Unencumbered Cash Balance - Ending	<u>\$ 292,593</u>	<u>\$ 628,319</u>

*This fund is not required to be budgeted.

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Bond and Interest Fund

Schedule of Receipts and Expenditures – Actual and Budget

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year			Variance- Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Ad Valorem Property Taxes	\$ -	\$ 4,520	\$ 4,634	\$ (114)
Delinquent Property Tax	73	147		147
Motor Vehicle Taxes	-	-	-	-
Rec. Vehicle Tax & 60/2	-	-	-	-
West Benefit District Special Assessments	-	-	-	-
Total Cash Receipts	73	4,667	4,634	33
Expenditures				
Bond Principal		\$ 30,000	\$ 30,000	\$ -
Bond Interest	8,042	12,600	15,000	2,400
Temporary Note Interest				-
Bond Commission and Fees	-	-	-	-
Total expenditures	8,042	42,600	45,000	2,400
Receipts Over (Under) Expenditures	(7,969)	(37,933)	(40,366)	2,433
Other Financing Sources (Uses)				
Operating transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Receipts and Other Sources Over (Under) Expenditures and Other Uses	(7,969)	(37,933)	(40,366)	2,433
Unencumbered Cash Balance - Beginning	45,938	37,969	40,366	(2,397)
Unencumbered Cash Balance - Ending	\$ 37,969	\$ 36	\$ -	\$ 36

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Water/Sewer Utility Operating Fund

Schedule of Receipts and Expenditures – Actual and Budget

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year			Variance- Favorable (Unfavorable)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Utility Usage Charges	\$ 903,233	\$ 900,612	\$ 950,000	\$ (49,388)
Utility Connection Tap Fees		2,500		2,500
Tank Collections	1,154	-	-	-
Utility Deposits and Charges	15,623	13,644		13,644
Refuse Charges				-
Reimbursed Expenses	13,775	74,248	25,000	49,248
Investment income	1,653	1,033		1,033
Total Cash Receipts	<u>935,438</u>	<u>992,037</u>	<u>975,000</u>	<u>17,037</u>
Operating Expenditures				
Cost of Water	290,178	327,590	300,000	(27,590)
Water Office Payroll	36,515	40,555	42,000	1,445
Water Office Services and Supplies	54,686	45,680	38,000	(7,680)
Payroll Taxes and Benefits	33,141	29,728	58,300	28,572
Transmission and Distribution Payroll	109,950	121,782	90,500	(31,282)
Transmission and Distribution Services	18,799	15,663	41,000	25,337
Transmission and Distribution Supplies	63,003	61,690	36,500	(25,190)
Sewer Operation Expenses	130,118	122,116	138,000	15,884
Contractual Refuse Service	100,953	106,645	120,000	13,355
Improvements	46,141	-	100,000	100,000
Sales Tax	5,341	5,076	5,000	(76)
Total Operating expenditures	<u>888,825</u>	<u>876,525</u>	<u>969,300</u>	<u>92,775</u>
Receipts Over (Under) Expenditures	<u>46,613</u>	<u>115,512</u>	<u>5,700</u>	<u>109,812</u>
Other Financing Sources (Uses)				
KDHE Revolving Loan Payments	(191,321)	(161,342)	(167,143)	5,801
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>(191,321)</u>	<u>(161,342)</u>	<u>(167,143)</u>	<u>5,801</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	<u>(144,708)</u>	<u>(45,830)</u>	<u>(161,443)</u>	<u>115,613</u>
Unencumbered Cash Balance - Beginning	<u>454,201</u>	<u>309,493</u>	<u>409,008</u>	<u>(99,515)</u>
Unencumbered Cash Balance - Ending	<u>\$ 309,493</u>	<u>\$ 263,663</u>	<u>\$ 247,565</u>	<u>\$ 16,098</u>

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Water/Sewer Utility Reserve Fund

Schedule of Receipts and Expenditures – Actual Only*

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Utility Connection Impact Fees	\$ -	\$ 9,750
Investment Income	14	30
Total Cash Receipts	<u>14</u>	<u>9,780</u>
Expenditures		
Capital Improvements	-	27,788
Total expenditures	<u>-</u>	<u>27,788</u>
Receipts Over (Under) Expenditures	<u>14</u>	<u>(18,008)</u>
Other Financing Sources (Uses)		
Operating transfers out	-	-
Operating transfers in	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>
Receipts and Other Sources Over (Under) Expenditures and Other Uses	14	(18,008)
Unencumbered Cash Balance - Beginning	<u>68,590</u>	<u>68,604</u>
Unencumbered Cash Balance - Ending	<u>\$ 68,604</u>	<u>\$ 50,596</u>

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

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Payroll Clearing and Court Escrow
 Schedule of Receipts and Expenditures – Actual Only*
 Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Payroll Deductions and Court Bonds	\$ 13,074	\$ 13,268
Total Cash Receipts	<u>\$ 13,074</u>	<u>13,268</u>
Expenditures		
Payroll Deductions and Court Bonds	<u>13,074</u>	<u>13,268</u>
Total expenditures	<u>13,074</u>	<u>13,268</u>
Receipts Over (Under) Expenditures	<u> </u>	<u>-</u>
Unencumbered Cash Balance - Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash Balance - Ending	<u> </u>	<u>\$ -</u>

*This fund is not required to be budgeted.

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Cemetery Perpetual Care Fund

Schedule of Receipts and Expenditures – Actual Only*

Regulatory Basis

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Perpetual care Fees	\$ 325	
Investment Income	26	34
	<u>351</u>	<u>34</u>
Expenditures		
Cemetery Maintenance	-	-
Total expenditures	-	-
	<u>351</u>	<u>34</u>
Receipts Over (Under) Expenditures		
	<u>351</u>	<u>34</u>
Unencumbered Cash Balance - Beginning	<u>43,264</u>	<u>43,615</u>
Unencumbered Cash Balance - Ending	<u>\$ 43,615</u>	<u>\$ 43,649</u>

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

See independent auditor's report on required supplementary information.

CITY OF WELLSVILLE, KANSAS

Schedule of Receipts and Expenditures – Actual Only*
Regulatory Basis**Related Municipal Entity- Wellsville City Library**

For the year ended December 31, 2022

(With Comparative Actual Amounts for the Year Ended December 31, 2021)

	Current Year		Prior Year	
	General Actual	Building Reserve Actual	General Actual	Building Reserve Actual
Cash Receipts				
City tax appropriation Library	\$ 91,133	\$ -	\$ 97,647	\$ -
City tax appropriations Employee Benefit	7,859	-	240	-
City Community enhancement tax appropriation	-	-	-	30,000
Northeast Kansas Library Association	22,767	-	22,104	-
Grants	1,086	-	31,285	-
State Aid	511	-	506	-
Memorials and other donations	12,938	49,995	1,430	189,941
Interest	1,913	1,250	540	3,074
Library fines and other	989	-	1,764	-
Rental income	385	-	435	-
Total Cash Receipts	139,581	51,245	155,951	223,015
Expenditures				
Salaries and wages	78,053	-	74,613	-
Payroll taxes and retirement	12,647	-	11,790	-
Supplies	1,715	-	1,877	-
Utilities	8,975	-	8,201	-
Inservice/Children services	4,760	-	2,933	-
Books and periodicals	18,189	-	21,101	-
Office expense	2,261	-	1,618	-
Miscellaneous	105	-	93	-
Insurance	100	-	100	-
Equipment	1,156	-	23,776	-
Contract services	2,215	-	2,170	-
Building Construction Contract services	-	37,383	-	-
Repairs and maintenance	1,423	-	846	-
Total Expenditures	131,599	37,383	149,118	-
Receipts Over (Under) Expenditures	7,982	13,862	6,833	223,015
Other Financing Sources (Uses)				
Operating transfers in	-	-	-	9,231
Operating transfers out	-	-	(9,231)	-
Total other financing sources (uses)	-	-	(9,231)	9,231
Receipts and Other Sources Over (Under) Expenditures and Other Uses	7,982	13,862	(2,398)	232,246
Unencumbered Cash Balance - Beginning	98,205	497,080	100,603	264,834
Unencumbered Cash Balance - Ending	\$ 106,187	\$ 510,942	\$ 98,205	\$ 497,080

*This fund is not required to be budgeted.

See independent auditor's report on the required supplementary information.