CITY OF INDEPENDENCE, KANSAS

Independent Auditors' Report and Financial Statement with Supplementary Information

For the Year Ended December 31, 2021

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CITY OF INDEPENDENCE, KANSAS
Financial Statements
For the Year Ended December 31, 2021
Table of Contents

	Page Number
INTRODUCTORY SECTION	
Table of Contents	i - ii
FINANCIAL SECTION	
Independent Auditor's Report	1 - 3
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statements	5 - 12
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1 Summary of Expenditures - Actual and Budget	13
SCHEDULE 2 Schedule of Receipts and Expenditures - Actual and Budget and Actual Only	
General Fund	14 - 17
General Fund Employee Benefits Fund	18
Library Fund	19
Special Alcohol Fund	20
Special Parks and Recreation Fund	21
Industrial Fund	22
Liability Insurance Fund	23
Economic Development and Transportation Fund	24
Tourism Fund	25
Educational Sales Tax Fund	26
Quality of Life Sales Tax Fund	27
Special Use Sales Tax Fund	28
Special Park Fund	29
Crime Prevention Fund	29
Law Enforcement Trust Fund	29
Downtown Tree Replacement Fund	29
Demolition Fund	29
Memorial Hall Fund	30
E-911 (Old) Fund	30
E-911 (New) Fund	30
K9 Fund	30
Incubator Building Fund	30
Logan Foundation Fund	30
City Grants Fund	30
Land Bank Fund	30
Fire/EMS Grant Fund	31
Walmart Grant Fund	31
Federal Grants Fund	31
Bond and Interest Fund	32
General Capital Reserve Fund	33
Streets Capital Reserve Fund	33
Airport Capital Reserve Fund	33
Water/Sewer Capital Reserve Fund	33

CITY OF INDEPENDENCE, KANSAS
Financial Statements
For the Year Ended December 31, 2021
Table of Contents (Continued)

	Page Number
REGULATORY REQUIRED SUPPLEMENTARY INFORMATION (Continued)	
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget and Actual Only	
Skate Park Fund	34
Water Treatment Facility Upgrade Fund	34
City Projects Fund	34
Peter Pan Geometric Project Fund	34
Penn/Chestnut - Oak Project Fund	35
2015-2016 KLINK Project Fund	35
Airport Restroom Project Fund	35
Curb Ramp Project Fund	35
WPC Loan C20 2043 Project Fund	35
Airport Fund	36
Water/Sewer Utility Fund	37 - 38
Sanitation Utility Fund	39
Grinder Pump Replacement Fund	40
SCHEDULE 3	
Summary of Receipts and Disbursements - Agency Funds	41
SCHEDULE 4	
Schedule of Receipts and Expenditures - Actual Only	
Related Municipal Entity - Housing Authority of The City of Independence, Kansas	42

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Independence, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Independence, Kansas and its related municipal entity, the Housing Authority of The City of Independence, Kansas (collectively, the City), as of and for the year ended December 31, 2021 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our 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 as of December 31, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2021, 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

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

Our 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 our 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, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain 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.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our 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.

We are 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 we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of receipts and disbursements-agency funds and the schedule of regulatory basis receipts and expenditures-related municipal entity (Schedules 1, 2, 3 and 4) as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Matters

Prior Period Adjustment

As discussed in Note 12 to the financial statement, the financial statement for the year ended December 31, 2020, has been restated to correct a misstatement in fund balances. Our opinion is not modified with respect to this matter.

Other Matter

The 2020 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2020 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement.

The City's basic financial statement for the year ended December 31, 2020 (not presented herein), was audited by other auditors whose report dated August 4, 2021, expressed an unmodified opinion on the basic financial statement. The 2020 basic financial statement and the other auditor's report are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipal-services. The report of the other auditors dated August 4, 2021 stated that the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2020 was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2020, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

July 1, 2022

CITY OF INDEPENDENCE, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:								
General	$ 573,712	$ -	$ -	$ 8,096,973	$ 7,649,900	$ 1,020,785	$ 449,782	$ 1,470,567
Special Purpose Funds:								
General Fund Employee Benefits	307,622	[30,999]	-	777,383	813,211	240,795	3,902	244,697
Library	-	-	-	265,431	265,431	-	-	-
Special Alcohol	47,138	-	-	38,126	30,000	55,264	30,000	85,264
Special Parks and Recreation	43,761	-	-	48,428	26,000	66,189	-	66,189
Industrial	4,376	-	-	23,636	27,500	512	-	512
Liability Insurance	43,136	-	-	144,753	67,432	120,457	-	120,457
Economic Development and Transportation	617,033	-	-	482,204	433,035	666,202	-	666,202
Tourism	-	-	-	99,855	99,855	-	-	-
Educational Sales Tax	169,275	183,599	-	2,243,303	2,384,621	211,556	-	211,556
Quality of Life Sales Tax	109,144	-	-	-	34,879	74,265	-	74,265
Special Use Sales Tax	1,311,714	-	-	2,243,303	2,411,692	1,143,325	521,421	1,664,746
Special Park	18,285	-	-	26,002	16,844	27,443	-	27,443
Crime Prevention	1,580	-	-	-	175	1,405	-	1,405
Law Enforcement Trust	25,469	-	-	2,782	1,995	26,256	-	26,256
Downtown Tree Replacement	15,332	-	-	57	40	15,349	-	15,349
Demolition	148,605	-	-	66,897	96,220	119,282	5,000	124,282
Memorial Hall	165,000	-	-	-	90,643	74,357	15,095	89,452
E-911 (Old)	4,697	-	-	-	-	4,697	-	4,697
E-911 (New)	115,734	-	-	139,739	41,444	214,029	3,603	217,632
K9	28,343	-	-	2,858	1,509	29,692	-	29,692
Incubator Building	16,760	-	-	49,520	-	66,280	-	66,280
Logan Foundation	514	-	-	-	120	394	-	394
City Grants	77,298	-	-	159,768	137,772	99,294	-	99,294
Land Bank	-	-	-	53,302	-	53,302	-	53,302
Fire/EMS Grant	2,595	-	-	73,525	68,162	7,958	-	7,958
Walmart Grant	[1,690]	-	-	4,736	-	3,046	-	3,046
Federal Grants	11,116	-	-	733,170	100,310	643,976	2,000	645,976
Bond and Interest Funds:								
Bond and Interest	895,049	-	-	802,693	1,052,425	645,317	-	645,317
Capital Project Funds:								
General Capital Reserve	125,116	-	-	429,246	415,541	138,821	-	138,821
Streets Capital Reserve	160,437	-	-	1,278,470	1,156,215	282,692	58,244	340,936
Airport Capital Reserve	269,290	-	-	715,419	1,080,913	[96,204]	-	[96,204]
Water/Sewer Capital Reserve	2,410,547	-	-	1,109,148	60,847	3,458,848	-	3,458,848
Skate Park	1,695	-	-	-	-	1,695	-	1,695
Water Treatment Facility Upgrade	[113,856]	-	-	-	39,000	[152,856]	-	[152,856]
City Projects	75,000	-	-	247,001	314,747	7,254	-	7,254
Peter Pan Geometric Project	44,994	-	-	-	44,994	-	-	-
Penn/Chestnut - Oak Project	34,943	-	-	-	-	34,943	-	34,943
2015-2016 KLINK Project	318,879	-	-	-	-	318,879	-	318,879
Airport Restroom Project	2,500	-	-	-	2,500	-	-	-
Curb Ramp Project	235,651	-	-	-	61,289	174,362	27,893	202,255
WPC Loan C20 2043 Project	-	-	-	-	97,942	[97,942]	-	[97,942]
Business Fund:								
Airport	280,932	[533]	-	752,281	743,545	289,135	26,835	315,970
Water/Sewer Utility	3,155,691	[6,631]	246,225	5,395,694	5,173,957	3,617,022	115,889	3,732,911
Sanitation Utility	695,841	[1,229]	-	1,310,973	1,322,361	683,224	48,904	732,128
Grinder Pump Replacement	256,555	-	-	9,036	45	265,546	-	265,546
Total Primary Government	12,705,813	144,207	246,225	27,825,712	26,365,111	14,556,846	1,308,568	15,865,414
Related Municipal Entity:								
Housing Authority of The City of Independence, Kansas	4,840,074	[3,282]	-	1,144,153	1,187,583	4,793,362	41,300	4,834,662
Total Reporting Entity (excluding Agency Funds)	$ 17,545,887	$ 140,925	$ 246,225	$ 28,969,865	$ 27,552,694	$ 19,350,208	$ 1,349,868	$ 20,700,076

COMPOSITION OF CASH:	
Community National Bank	
Checking	$ 15,647,159
Certificates of Deposit	3,289,269
Equity Bank	
Money Market	1,789,322
Cash on Hand	850
Total Cash	20,726,600
Less: Agency Funds per Schedule 3	[26,524]
Total Reporting Entity (excluding Agency Funds)	$ 20,700,076

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

NOTE 1 - Summary of Significant Accounting Policies

The City of Independence, Kansas (the City) is incorporated as a city of the second class under the provisions of the Kansas Constitution, Article 12, Section 5 and K.S.A. 14-101 et seq. The City operates under a Commission City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, sewer and trash, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Independence, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow below. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity

The City is a municipal corporation governed by an elected three-member commission. This financial statement presents the City (the municipality) and its related municipal entity, The Housing Authority of The City of Independence, Kansas, (collectively, the City). This related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents. This financial statement does not include the related municipal entity, the Independence Public Library.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the *Kansas Municipal Audit and Accounting Guide* (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

> Housing Authority - The Housing Authority of the City of Independence, Kansas is a municipal corporation responsible for operating the City's housing projects. The Housing Authority is governed by a City appointed five-member board. The Housing Authority can sue and be sued. Bond ordinances and the purchase of real property must be approved by the City. All Housing Authority funds are held by the City of Independence and all financial transactions are processed through the City's administrative offices. The Housing Authority's 2021 financial statements have been included as Schedule 4 of the City's financial statements. Complete audited financial statements are prepared and are available at the Housing Authority's administrative office.
>
> Independence Public Library - The City of Independence Library Board operates the City's public library. Acquisition or disposition of real property or bond issuances must be approved by the City. Separate audited financial statements are prepared and are available at the Independence Public Library.

Basis of Accounting

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

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

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2021:

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

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

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

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

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

Agency Funds - to account for assets held by the City in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper 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.
4. Adoption of the final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City was not required to hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The original budget was amended for the Educational Sales Tax Fund, Special Use Sales Tax Fund, and Sanitation Utility Fund during the year ended December 31, 2021.

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

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 the 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.

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

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

- Special Park Fund
- Crime Prevention Fund
- Law Enforcement Trust Fund
- Downtown Tree Replacement Fund
- Demolition Fund
- Memorial Hall Fund
- E-911 (Old) Fund
- E-911 (New) Fund
- K9 Fund
- Incubator Building Fund
- Logan Foundation Fund
- City Grants Fund
- Land Bank Fund
- Fire/EMS Grant Fund
- Walmart Grant Fund
- Federal Grants Fund

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

NOTE 2 - Deposits and Investments

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

Investments. K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2021, the City held no such investments.

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." The City's deposits were fully secured as of December 31, 2021.

As of December 31, 2021, the City's carrying amount of deposits was $ 20,726,600 and the bank balance was $20,835,810. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $3,750,013 was covered by federal depository insurance and $17,085,797 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

NOTE 3 - Compensated Absences

All regular full-time and regular part-time employees of the City shall earn vacation leave. Vacation leave shall be earned beginning with the date of employment. Vacation may not be used during the first twelve month of employment. Vacation is earned at varying rates based on years of service and may be accumulated up to 160 hours for fulltime employees and 10 shifts for full-time Fire and EMS. In the event of termination, unused accrued vacation time is paid. Employees terminated prior to completing one full year of employment shall not be paid for accrued vacation leave.

Sick leave accrues to all full-time employees at the rate of eight hours per month and is limited to 1,440 hours. Sick leave may be accumulated and carried over to the next year, but is lost if employment is terminated.

The City has not estimated a liability for compensated absences which has been earned, but not taken by City employees, as the amount cannot be reasonably estimated.

NOTE 4 - Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were $469,101 for the year ended December 31, 2021.

Net Pension Liability. As of December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was $3,275,712. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup of KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

NOTE 5 - Other Long-Term Obligations from Operations

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2021.

NOTE 6 - Interfund Transfers

Operating transfers were as follows during the year ended December 31, 2021:

From:	To:	Amount:	Statutory Authority
General Fund	Demolition Fund	$ 50,000	K.S.A. 12-1,118
General Fund	General Capital Reserve Fund	279,252	K.S.A. 12-1,118
Economic Development and Transportation Fund	City Grants Fund	84,768	K.S.A. 79-2934
Economic Development and Transportation Fund	Streets Capital Reserve Fund	100,000	K.S.A. 12-1,118
Economic Development and Transportation Fund	City Projects Fund	47,000	K.S.A. 12-1,118
Educational Sales Tax Fund	Bond and Interest Fund	239,100	K.S.A. 12,197
Special Use Sales Tax Fund	General Fund	560,826	K.S.A. 12,197
Special Use Sales Tax Fund	Bond and Interest Fund	474,813	K.S.A. 12,197
Special Use Sales Tax Fund	Airport Capital Reserve Fund	50,000	K.S.A. 12-1,118
Special Use Sales Tax Fund	City Projects Fund	50,000	K.S.A. 12-1,118
Special Use Sales Tax Fund	Streets Capital Reserve Fund	1,017,262	K.S.A. 12-1,118
Airport Restroom Project Fund	Airport Capital Reserve Fund	2,500	K.S.A. 12-1,118
Peter Pan Geometric Project Fund	Streets Capital Reserve Fund	44,994	K.S.A. 12-1,118
Water and Sewer Utility Fund	General Fund	800,000	K.S.A. 12-1,825d
Water and Sewer Utility Fund	City Grants Fund	50,000	K.S.A. 12-1,825d
Water and Sewer Utility Fund	Bond and Interest Fund	78,413	K.S.A. 12-1,825d
Water and Sewer Utility Fund	Water/Sewer Capital Reserve Fund	1,100,000	K.S.A. 12-1,825d
Sanitation Utility Fund	General Fund	100,000	K.S.A. 12-1,825d
		$ 5,128,929	

NOTE 7 - Long-Term Debt

The following table summarizes changes in the City's long-term debt for the year ended December 31, 2021:

Type of Issue	Beginning Principal Outstanding	Additions to Principal	Reductions of Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	$ 5,310,000	$ -	$ 910,000	$ 4,400,000	$ 142,425
State Revolving Loans	3,608,866	-	140,977	3,467,889	87,008
Capital Leases	720,358	149,994	280,779	589,573	20,097
Total	$ 9,639,224	$ 149,994	$ 1,331,756	$ 8,457,462	$ 249,530

NOTE 7 - Long-Term Debt (Continued)

General Obligation Bonds. The following table details the City's outstanding general obligation debt as of December 31, 2021:

General Obligation Bonds	Interest Rate	Amount Outstanding	Original Amount	Date of Issue	Final Maturity
Series 2013-A	2.60 - 2.70%	$ 640,000	$ 2,940,000	9/19/2013	10/1/2023
Series 2015-A	2.00 - 3.00%	1,230,000	1,960,000	7/22/2015	10/1/2030
Series 2016-A	2.00 - 3.00%	1,145,000	1,875,000	7/12/2016	10/1/2026
Series 2019-A	3.00%	1,385,000	1,430,000	10/2/2019	10/1/2026
Total		$ 4,400,000			

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

Year Ending December 31,	Principal	Interest	Total
2022	$ 925,000	$ 122,940	$ 1,047,940
2023	935,000	99,800	1,034,800
2024	635,000	75,550	710,550
2025	645,000	57,150	702,150
2026	675,000	37,800	712,800
2027 - 2031	585,000	44,400	629,400
Total	$ 4,400,000	$ 437,640	$ 4,837,640

Revolving Loans. The following table details the City's outstanding revolving loan debt as of December 31, 2021:

Purpose	Interest Rate	Amount Outstanding	Original Amount	Date of Issue	Final Maturity
Kansas Water Pollution Control Revolving Fund No. 1915-01	2.50%	$ 2,092,296	$ 3,764,485	10/24/2011	3/1/2034
Kansas Public Water Supply Loan Fund No. 2933	2.33%	1,375,593	1,375,593	8/15/2018	8/1/2041
		$ 3,467,889			

Annual debt service requirements to maturity for Kansas Water Pollution Control Revolving Fund No. 1915-01 are as follows:

Year Ending December 31,	Principal	Interest	Total
2022	$ 144,523	$ 51,410	$ 195,933
2023	148,159	47,774	195,933
2024	151,886	44,047	195,933
2025	155,707	40,226	195,933
2026	159,624	36,309	195,933
2027 - 2031	860,411	119,254	979,665
2032 - 2034	471,986	17,846	489,832
Total	$ 2,092,296	$ 356,866	$ 2,449,162

Annual debt service requirements to maturity were not available for Kansas Public Water Supply Loan Fund No. 2933 as the loan was not finalized as of December 31, 2021.

NOTE 7 - Long-Term Debt (Continued)

On July 1, 2021, the City entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) to finance the water system improvements. The loan is for a maximum principal of $3,776,894, carries a gross interest rate of 1.33%, and is payable in semi-annual installments. $0 were drawn against the agreement during the year ended December 31, 2021. Annual debt service requirements to maturity are not available as the loan was not finalized as of December 31, 2021.

Capital Leases. The following table details the City's outstanding capital lease obligations as of December 31, 2021:

Capital Leases	Interest Rate	Amount Outstanding	Original Amount	Date of Issue	Final Maturity
Aerial Fire Truck	3.44%	$ 441,270	$ 597,896	04/01/19	04/01/26
John Deere Tractor and Bushhog	2.45%	64,348	90,288	04/01/20	04/01/25
Streetsweeper	1.78%	83,955	149,994	02/11/21	03/01/25
Total		$ 589,573			

Annual debt service requirements to maturity for the capital lease obligations are as follows:

Year Ending December 31,	Principal	Interest	Total
2022	$ 120,623	$ 18,179	$ 138,802
2023	124,268	14,534	138,802
2024	128,024	10,778	138,802
2025	122,330	6,895	129,225
2026	94,328	3,248	97,576
Total	$ 589,573	$ 53,634	$ 643,207

On February 12, 2021, the City entered into a lease purchase agreement with a local financial institution in the amount of $149,994. Proceeds from the agreement were used to acquire equipment. The agreement carries an interest rate of 1.78%, requires annual payments of $21,927, and is scheduled for final maturity on March 1, 2025.

Legal Debt Margin. The City is subject to the municipal finance law of the State of Kansas which limits the net bonded debt the City may have outstanding up to 30 percent of the assessed value of all tangible personal property within the City, as certified to the County Clerk on the proceeding August 25. As of December 31, 2021, the statutory limit for the City was $14,121,120, providing a debt margin of $9,721,120.

NOTE 8 - Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the City as of December 31, 2021.

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

NOTE 9 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

NOTE 9 - Risk Management (Continued)

The City has been unable to obtain workers' compensation insurance at a cost it considers to be economically justifiable. For this reason, the City has joined together with other cities in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for participating members. The City pays annual premium to KMIT for its workers' compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

NOTE 10 - Incentive Grant Agreement

During the year ended December 31, 2021, the City entered into an incentive grant agreement with Labette County Medical Center. This agreement calls for the City to pay Labette County Medical Center $1,000,000 payable in ten equal annual payments of $100,000 beginning March 1, 2023. The incentive grant agreement calls for Labette County Medical Center to hire and maintain an increasing number of full-time employees and physicians who live in the City and serve its residents. The City intends to pay the grant from the Economic Development and Transportation Fund.

NOTE 11 - Compliance with Kansas Statutes

Statement 1 has been prepared in order to show compliance with the cash basis laws of Kansas. As shown in Statement 1, the City was in apparent violation of K.S.A. 10-1113, as the Airport Capital Reserve Fund, Water Treatment Facility Upgrade Fund, and WPC Loan C20 2043 Project Fund reported a negative ending unencumbered cash balance. K.S.A 10-1,116 provides that under certain situations, a fund can end the year with a negative unencumbered cash balance. The Airport Capital Reserve Fund, Water Treatment Facility Upgrade Fund, and WPC Loan C20 2043 Project Fund meet the criteria of K.S.A 10-1,116 and therefore, are deemed to not be in violation of the Kansas cash basis laws.

Schedule 1 has been prepared in order to show compliance with the budget laws of Kansas. As shown in Schedule 1, the City was in apparent violation of K.S.A. 79-2935 as expenditures chargeable to the current year exceeded the certified budget in the Educational Sales Tax Fund, Bond and Interest Fund, and Airport Fund.

NOTE 12 - Prior Period Adjustments

During the year ended December 31, 2021, management discovered certain errors recorded in the prior year financial statements. The effects of these items caused a restatement to beginning unencumbered cash in the General Fund Employee Benefits Fund, Educational Sales Tax Fund, Airport Fund, Water/Sewer Utility Fund, Sanitation Utility Fund, and the Housing Authority of The City of Independence, Kansas as follows:

	General Fund Employee Benefits Fund	Educational Sales Tax Fund	Airport Fund	Water/Sewer Utility Fund	Sanitation Utility Fund	Housing Authority of The City of Independence, Kansas
Unencumbered Cash, Beginning	$ 307,622	$ 169,275	$280,932	$ 3,155,691	$695,841	$ 4,840,074
Prior Period Adjustment	[30,999]	183,599	[533]	[6,631]	[1,229]	[3,282]
Unencumbered Cash, Beginning, Restated	$ 276,623	$ 352,874	$280,399	$ 3,149,060	$694,612	$ 4,836,792

CITY OF INDEPENDENCE, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over [Under]
General Funds:					
General	$ 7,986,982	$ -	$ 7,986,982	$ 7,649,900	$ [337,082]
Special Purpose Funds:					
General Fund Employee Benefits	852,816	-	852,816	813,211	[39,605]
Library	267,130	-	267,130	265,431	[1,699]
Special Alcohol	30,000	-	30,000	30,000	-
Special Parks and Recreation	34,000	-	34,000	26,000	[8,000]
Industrial	27,500	-	27,500	27,500	-
Liability Insurance	96,000	-	96,000	67,432	[28,568]
Economic Development and Transport	500,700	-	500,700	433,035	[67,665]
Tourism	150,000	-	150,000	99,855	[50,145]
Educational Sales Tax	2,330,000	-	2,330,000	2,384,621	54,621
Quality of Life Sales Tax	75,000		75,000	34,879	[40,121]
Special Use Sales Tax	4,248,792	-	4,248,792	2,411,692	[1,837,100]
Bond and Interest Funds:					
Bond and Interest	792,325	-	792,325	1,052,425	260,100
Business Fund:					
Airport	669,527	-	669,527	743,545	74,018
Water/Sewer Utility	5,510,205	-	5,510,205	5,173,957	[336,248]
Sanitation Utility	1,381,761	-	1,381,761	1,322,361	[59,400]

CITY OF INDEPENDENCE, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 1,406,270	$ 1,510,926	$ 1,615,621	$ [104,695]
Delinquent Tax	74,021	124,113	47,000	77,113
Motor Vehicle Tax	207,846	213,319	197,724	15,595
Recreational Vehicle Tax	2,072	1,910	1,720	190
16/20 M Vehicle Tax	679	1,068	1,086	[18]
Vehicle Rental Excise Tax	6,631	2,602	-	2,602
Commercial Vehicle Tax	6,796	5,866	5,131	735
Watercraft Tax	913	1,224	7,231	[6,007]
Neighborhood Revitalization	[47,803]	[48,290]	[79,642]	31,352
Mineral Tax	6	55	-	55
In Lieu of Tax	1,288	1,359	-	1,359
Nuisance Tax	5,200	4,150	4,000	150
Special Assessments	45,650	3,247	15,000	[11,753]
Franchise Tax	434,703	440,040	465,000	[24,960]
Sales Tax	2,135,922	2,243,303	1,930,000	313,303
Intergovernmental				
Local Alcohol Liquor Tax	32,491	38,126	40,000	[1,874]
Special Highway Tax	222,533	245,702	280,000	[34,298]
Highway Connecting Links	271,714	93,236	60,000	33,236
County Highway Aid	40,438	34,313	-	34,313
Grants	174,296	256,775	178,000	78,775
Licenses and Permits	57,083	113,651	60,000	53,651
Fines, Forfeitures and Penalties	83,674	93,424	119,000	[25,576]
Charges for Services				
Ambulance Fees	739,903	919,624	730,000	189,624
Fire Fees	12,647	35	6,000	[5,965]
Cemetery Fees	55,025	74,060	53,800	20,260
Park Fees	29,392	55,822	36,000	19,822
Charge Offs and Recoveries	46,778	53,421	40,000	13,421
Use of Money and Property				
Interest Income	44,924	23,356	50,000	[26,644]
Rents	108,343	49,106	17,000	32,106
Sale of Assets	4,200	8,300	-	8,300
Memorial Hall Fees	23,879	28,208	30,000	[1,792]
Other Receipts				
Reimbursed Expense	3,761	32,966	378,000	[345,034]
Insurance Proceeds	55,463	-	30,000	[30,000]
Miscellaneous	[4,457]	11,130	922,200	[911,070]
Operating Transfers In	1,659,387	1,460,826	482,500	978,326
Total Receipts	7,941,668	8,096,973	$ 7,722,371	$ 374,602

CITY OF INDEPENDENCE, KANSAS
General Fund - Continued
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance-Over [Under]
Expenditures				
Administration				
Personal Services	$ 163,727	$ 302,515	$ 328,076	$ [25,561]
Contractual Services	77,272	115,463	89,244	26,219
Commodities	8,613	3,345	12,000	[8,655]
	249,612	421,323	429,320	[7,997]
Municipal Court Department				
Personal Services	55,093	46,972	40,530	6,442
Contractual Services	65,610	67,413	66,250	1,163
Commodities	2,701	404	1,500	[1,096]
	123,404	114,789	108,280	6,509
City Hall Department				
Contractual Services	1,179	1,606	4,000	[2,394]
Capital Lease Payments	5,947	-	-	-
	7,126	1,606	4,000	[2,394]
General Government				
Personal Services	11,098	37,726	2,000	35,726
Contractual Services	642,038	656,059	720,015	[63,956]
Commodities	4,336	10,357	-	10,357
Capital Outlay	25,459	15,242	20,000	[4,758]
	682,931	719,384	742,015	[22,631]
Finance and Records Department				
Personal Services	298,600	291,444	275,821	15,623
Contractual Services	41,426	37,764	58,250	[20,486]
Commodities	11,688	6,584	13,000	[6,416]
Capital Outlay	5,000	-	5,000	[5,000]
	356,714	335,792	352,071	[16,279]
Fire Department				
Personal Services	1,391,704	1,336,794	1,251,426	85,368
Contractual Services	74,997	135,127	157,700	[22,573]
Commodities	169,412	164,972	177,000	[12,028]
Capital Outlay	68,738	245	244,200	[243,955]
Capital Lease Payments	79,609	-	-	-
	1,784,460	1,637,138	1,830,326	[193,188]
EMS Department				
Contractual Services	50,056	1,170	1,750	[580]

CITY OF INDEPENDENCE, KANSAS
General Fund - Continued
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance-Over [Under]
Expenditures - Continued				
Police Department				
Personal Services	$ 1,408,129	$ 1,396,551	$ 1,487,134	$ [90,583]
Contractual Services	92,649	96,164	101,000	[4,836]
Commodities	40,154	58,070	64,100	[6,030]
Capital Outlay	25,757	43,849	-	43,849
	1,566,689	1,594,634	1,652,234	[57,600]
Animal Control Department				
Personal Services	53,065	53,217	52,626	591
Contractual Services	5,701	9,613	4,900	4,713
Commodities	1,372	1,327	1,500	[173]
Capital Outlay	[183]	-	-	-
	59,955	64,157	59,026	5,131
Emergency Preparedness				
Contractual Services	15,059	8,780	17,600	[8,820]
Commodities	957	6,910	1,000	5,910
Capital Outlay	-	-	20,000	[20,000]
	16,016	15,690	38,600	[22,910]
Building Inspection Department				
Personal Services	-	71,489	76,807	[5,318]
Contractual Services	435	24,373	7,000	17,373
	435	95,862	83,807	12,055
Street Department				
Personal Services	333,706	280,182	356,696	[76,514]
Contractual Services	80,888	74,776	108,500	[33,724]
Commodities	134,680	213,308	187,000	26,308
Capital Outlay	71,550	46,000	-	46,000
	620,824	614,266	652,196	[37,930]
Street Lighting Department				
Contractual Services	160,735	145,024	165,000	[19,976]
Park Department				
Personal Services	227,310	233,959	222,434	11,525
Contractual Services	81,721	83,270	96,000	[12,730]
Commodities	21,101	24,516	21,050	3,466
Capital Outlay	34,548	225	300	[75]
	364,680	341,970	339,784	2,186
Zoo Department				
Personal Services	189,718	201,217	202,923	[1,706]
Contractual Services	15,782	44,077	29,000	15,077
Commodities	68,898	79,299	71,000	8,299
Capital Outlay	43,060	-	-	-
	317,458	324,593	302,923	21,670

CITY OF INDEPENDENCE, KANSAS
General Fund - Continued
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance-Over [Under]
Expenditures - Continued				
Cemetery Department				
Personal Services	$ 173,912	$ 154,744	$ 176,298	$ [21,554]
Contractual Services	6,608	15,956	19,150	[3,194]
Commodities	11,541	15,795	11,500	4,295
Capital Outlay	7,117	9,319	16,184	[6,865]
Capital Lease Payment	10,366	5,056	-	5,056
	209,544	200,870	223,132	[22,262]
Memorial Hall Department				
Personal Services	121,396	109,596	103,172	6,424
Contractual Services	129,766	129,978	167,500	[37,522]
Commodities	7,506	8,652	12,700	[4,048]
Capital Outlay	15,000	21,137	-	21,137
	273,668	269,363	283,372	[14,009]
Building D Department				
Personal Services	47,506	48,278	52,294	[4,016]
Contractual Services	344,399	353,696	353,500	196
Commodities	10,826	17,152	8,000	9,152
Capital Outlay	2,800	-	5,000	[5,000]
	405,531	419,126	418,794	332
Special Improvements				
Capital Outlay	15,650	3,891	15,000	[11,109]
	15,650	3,891	15,000	[11,109]
Operating Transfers Out	357,378	329,252	285,352	43,900
Total Expenditures	7,622,866	7,649,900	$ 7,986,982	$ [337,082]
Receipts Over [Under] Expenditures	318,802	447,073		
Unencumbered Cash, Beginning	254,910	573,712		
Unencumbered Cash, Ending	$ 573,712	$ 1,020,785		

CITY OF INDEPENDENCE, KANSAS
General Fund Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 672,378	$ 603,016	$ 645,621	$ [42,605]
Delinquent Tax	36,005	56,049	22,500	33,549
Motor Vehicle Tax	79,110	96,222	94,654	1,568
Recreational Vehicle Tax	756	879	823	56
16/20 M Vehicle Tax	363	371	520	[149]
Vehicle Rental Excise Tax	2,694	1,234	-	1,234
Commercial Vehicle Tax	2,370	2,798	2,456	342
Watercraft Tax	317	578	3,461	[2,883]
Mineral Tax	3	22	-	22
In Lieu of Tax	617	543	-	543
Use of Money and Property				
Interest Income	3,841	1,342	2,000	[658]
Other Receipts				
Reimbursed Expense	1,861	13,687	-	13,687
Miscellaneous	-	642	[103,650]	104,292
Total Receipts	800,315	777,383	$ 668,385	$ 108,998
Expenditures				
General Government				
Personal Services	686,618	654,247	$ 732,202	$ [77,955]
Contractual Services	-	158,964	120,614	38,350
Total Expenditures	686,618	813,211	$ 852,816	$ [39,605]
Receipts Over [Under] Expenditures	113,697	[35,828]		
Unencumbered Cash, Beginning	193,925	307,622		
Prior Period Adjustment	-	[30,999]		
Unencumbered Cash, Beginning, Restated	193,925	276,623		
Unencumbered Cash, Ending	$ 307,622	$ 240,795		

CITY OF INDEPENDENCE, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 209,411	$ 213,416	$ 228,375	$ [14,959]
Delinquent Tax	12,858	18,659	7,000	11,659
Motor Vehicle Tax	29,441	31,284	29,493	1,791
Recreational Vehicle Tax	289	282	257	25
16/20 M Vehicle Tax	110	147	162	[15]
Vehicle Rental Excise Tax	962	387	-	387
Commercial Vehicle Tax	934	874	765	109
Watercraft Tax	125	182	1,078	[896]
Mineral Tax	1	8	-	8
In Lieu of Tax	192	192	-	192
Use of Money and Property				
Interest Income	439	-	-	-
Total Receipts	254,762	265,431	$ 267,130	$ [1,699]
Expenditures				
Culture and Recreation				
Appropriation to Library Board	260,763	265,431	$ 267,130	$ [1,699]
Total Expenditures	260,763	265,431	$ 267,130	$ [1,699]
Receipts Over [Under] Expenditures	[6,001]	-		
Unencumbered Cash, Beginning	6,001	-		
Unencumbered Cash, Ending	$ -	$ -		

See independent auditor's report on the financial statements.

CITY OF INDEPENDENCE, KANSAS
Special Alcohol Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Intergovernmental				
Local Alcohol Liquor Tax	$ 32,491	$ 38,126	$ 33,000	$ 5,126
Total Receipts	32,491	38,126	$ 33,000	$ 5,126
Expenditures				
Culture and Recreation				
Contractual Services	30,000	30,000	$ 30,000	$ -
Total Expenditures	30,000	30,000	$ 30,000	$ -
Receipts Over [Under] Expenditures	2,491	8,126		
Unencumbered Cash, Beginning	44,647	47,138		
Unencumbered Cash, Ending	$ 47,138	$ 55,264		

CITY OF INDEPENDENCE, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Intergovernmental				
Local Alcohol Liquor Tax	$ 32,491	$ 38,126	$ 35,000	$ 3,126
Other Receipts				
Miscellaneous	5,294	10,302	4,000	6,302
Total Receipts	37,785	48,428	$ 39,000	$ 9,428
Expenditures				
Culture and Recreation				
Contractual Services	24,000	26,000	$ 34,000	$ [8,000]
Total Expenditures	24,000	26,000	$ 34,000	$ [8,000]
Receipts Over [Under] Expenditures	13,785	22,428		
Unencumbered Cash, Beginning	29,976	43,761		
Unencumbered Cash, Ending	$ 43,761	$ 66,189		

See independent auditor's report on the financial statements.

CITY OF INDEPENDENCE, KANSAS
Industrial Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 9,375	$ 21,313	$ 22,685	$ [1,372]
Delinquent Tax	537	830	500	330
Motor Vehicle Tax	1,223	1,381	1,320	61
Recreational Vehicle Tax	12	13	11	2
16/20 M Vehicle Tax	5	6	7	[1]
Vehicle Rental Excise Tax	40	17	-	17
Commercial Vehicle Tax	39	39	34	5
Watercraft Tax	5	8	48	[40]
Mineral Tax	-	1	-	1
In Lieu of Tax	9	19	-	19
Use of Money and Property				
Interest Income	177	9	150	[141]
Other Receipts				
Miscellaneous	2,000	-	-	-
Total Receipts	13,422	23,636	$ 24,755	$ [1,119]
Expenditures				
General Government				
Capital Outlay	27,500	27,500	$ 27,500	$ -
Total Expenditures	27,500	27,500	$ 27,500	$ -
Receipts Over [Under] Expenditures	[14,078]	[3,864]		
Unencumbered Cash, Beginning	18,454	4,376		
Unencumbered Cash, Ending	$ 4,376	$ 512		

CITY OF INDEPENDENCE, KANSAS
Liability Insurance Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 71,604	$ 72,910	$ 78,111	$ [5,201]
Delinquent Tax	4,547	6,904	3,000	3,904
Motor Vehicle Tax	12,285	11,179	10,073	1,106
Recreational Vehicle Tax	121	99	88	11
16/20 M Vehicle Tax	44	62	55	7
Vehicle Rental Excise Tax	399	133	-	133
Commercial Vehicle Tax	393	300	261	39
Watercraft Tax	53	63	368	[305]
Mineral Tax	-	3	-	3
In Lieu of Tax	66	66	-	66
Use of Money and Property				
Interest Income	426	281	-	281
Other Receipts				
Reimbursed Expense	2,940	52,753	-	52,753
Total Receipts	92,878	144,753	$ 91,956	$ 52,797
Expenditures				
General Government				
Contractual Services	74,067	67,432	$ 96,000	$ [28,568]
Total Expenditures	74,067	67,432	$ 96,000	$ [28,568]
Receipts Over [Under] Expenditures	18,811	77,321		
Unencumbered Cash, Beginning	24,325	43,136		
Unencumbered Cash, Ending	$ 43,136	$ 120,457		

See independent auditor's report on the financial statements.

CITY OF INDEPENDENCE, KANSAS
Economic Development and Transportation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Franchise Tax	$ 283,322	$ 286,755	$ 287,000	$ [245]
Use of Money and Property				
Interest Income	8,918	2,142	8,000	[5,858]
Other Receipts				
Reimbursed Expense	-	193,307	-	193,307
Total Receipts	292,240	482,204	$ 295,000	$ 187,204
Expenditures				
General Government				
Capital Outlay	98,343	101,266	$ 450,700	$ [349,434]
Capital Lease Payments	50,000	100,001	50,000	50,001
Operating Transfers Out	366,560	231,768	-	231,768
Total Expenditures	514,903	433,035	$ 500,700	$ [67,665]
Receipts Over [Under] Expenditures	[222,663]	49,169		
Unencumbered Cash, Beginning	797,948	617,033		
Prior Year Cancelled Encumbrances	41,748	-		
Unencumbered Cash, Ending	$ 617,033	$ 666,202		

CITY OF INDEPENDENCE, KANSAS
Tourism Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenue				
Transient Guest Tax	$ 110,809	$ 99,855	$ 150,000	$ [50,145]
Total Receipts	110,809	99,855	$ 150,000	$ [50,145]
Expenditures				
General Government				
Capital Outlay	110,809	99,855	$ 150,000	$ [50,145]
Total Expenditures	110,809	99,855	$ 150,000	$ [50,145]
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF INDEPENDENCE, KANSAS
Educational Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenue				
Sales Tax	$ 2,135,922	$ 2,243,303	$ 2,010,654	$ 232,649
Total Receipts	2,135,922	2,243,303	$ 2,010,654	$ 232,649
Expenditures				
Culture and Recreation				
Contractual Services	2,032,326	2,145,521	$ 2,090,900	$ 54,621
Operating Transfers Out	253,667	239,100	239,100	-
Total Expenditures	2,285,993	2,384,621	$ 2,330,000	$ 54,621
Receipts Over [Under] Expenditures	[150,071]	[141,318]		
Unencumbered Cash, Beginning	319,346	169,275		
Prior Period Adjustment	-	183,599		
Unencumbered Cash, Beginning, Restated	319,346	352,874		
Unencumbered Cash, Ending	$ 169,275	$ 211,556		

CITY OF INDEPENDENCE, KANSAS
Quality of Life Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Use of Money and Property				
Interest Income	$ -	$ -	$ 1,000	$ [1,000]
Total Receipts	-	-	$ 1,000	$ [1,000]
Expenditures				
Culture and Recreation				
Capital Outlay	20,121	34,879	$ 75,000	$ [40,121]
Total Expenditures	20,121	34,879	$ 75,000	$ [40,121]
Receipts Over [Under] Expenditures	[20,121]	[34,879]		
Unencumbered Cash, Beginning	129,265	109,144		
Unencumbered Cash, Ending	$ 109,144	$ 74,265		

CITY OF INDEPENDENCE, KANSAS
Special Use Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Taxes and Shared Revenue				
Sales Tax	$ 2,135,922	$ 2,243,303	$ 3,138,000	$ [894,697]
Total Receipts	2,135,922	2,243,303	$ 3,138,000	$ [894,697]
Expenditures				
General Government				
Capital Outlay	1,243,747	258,791	$ 3,291,479	$ [3,032,688]
Operating Transfers Out	1,091,253	2,152,901	957,313	1,195,588
Total Expenditures	2,335,000	2,411,692	$ 4,248,792	$ [1,837,100]
Receipts Over [Under] Expenditures	[199,078]	[168,389]		
Unencumbered Cash, Beginning	1,510,792	1,311,714		
Unencumbered Cash, Ending	$ 1,311,714	$ 1,143,325		

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CITY OF INDEPENDENCE, KANSAS
Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

	Special Park Fund	Crime Prevention Fund	Law Enforcement Trust Fund	Downtown Tree Replacement Fund	Demolition Fund
Receipts					
Use of Money and Property					
Interest Income	$ 78	$ -	$ 106	$ 57	$ -
Rents	-	-	-	-	-
Other Receipts					
Charge Offs and Recoveries	-	-	-	-	-
Reimbursed Expense	37	-	-	-	-
Donations	19,133	-	296	-	-
Miscellaneous	6,754	-	2,380	-	16,897
Received from Housing Authority	-	-	-	-	-
Operating Transfers In	-	-	-	-	50,000
Total Receipts	26,002	-	2,782	57	66,897
Expenditures					
General Government					
Contractual Services	-	-	-	-	-
Commodities	-	175	-	-	-
Capital Outlay	16,844	-	1,995	40	96,220
Total Expenditures	16,844	175	1,995	40	96,220
Receipts Over [Under] Expenditures	9,158	[175]	787	17	[29,323]
Unencumbered Cash, Beginning	18,285	1,580	25,469	15,332	148,605
Unencumbered Cash, Ending	$ 27,443	$ 1,405	$ 26,256	$ 15,349	$ 119,282

* - These funds are not required to be budgeted.

CITY OF INDEPENDENCE, KANSAS
Non-Budgeted Special Purpose Funds (Continued)
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

Memorial Hall Fund	E-911 (Old) Fund	E-911 (New) Fund	K9 Fund	Incubator Building Fund	Logan Fountain Fund	City Grants Fund	Land Bank Fund
$ -	$ -	$ 581	$ 108	$ -	$ -	$ -	$ 96
-	-	-	-	64,539	-	-	-
-	-	-	-	[15,019]	-	-	-
-	-	-	-	-	-	-	-
-	-	-	2,750	-	-	-	-
-	-	139,158	-	-	-	-	3,206
-	-	-	-	-	-	- 50,000	50,000
-	-	-	-	-	-	109,768	-
-	-	139,739	2,858	49,520	-	159,768	53,302
-	-	-	1,474	-	-	-	-
-	-	-	35	-	-	-	-
90,643	-	41,444	-	-	120	137,772	-
90,643	-	41,444	1,509	-	120	137,772	-
[90,643]	-	98,295	1,349	49,520	[120]	21,996	53,302
165,000	4,697	115,734	28,343	16,760	514	77,298	-
$ 74,357	$ 4,697	$ 214,029	$ 29,692	$ 66,280	$ 394	$ 99,294	$ 53,302

* - These funds are not required to be budgeted.

CITY OF INDEPENDENCE, KANSAS
Grant Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

	Fire/EMS Grant Fund	Walmart Grant Fund	Federal Grants Fund
Receipts			
Intergovernmental			
Grants	$ 4,636	$ -	$ 733,170
Other Receipts			
Reimbursed Expense	-	4,736	-
Donations	68,889	-	-
Total Receipts	73,525	4,736	733,170
Expenditures			
General Government			
Capital outlay	68,162	-	100,310
Total Expenditures	68,162	-	100,310
Receipts Over [Under] Expenditures	5,363	4,736	632,860
Unencumbered Cash, Beginning	2,595	[1,690]	11,116
Unencumbered Cash, Ending	$ 7,958	$ 3,046	$ 643,976

* - These funds are not required to be budgeted.

CITY OF INDEPENDENCE, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ [1,473]	$ [461]	$ -	$ [461]
Delinquent Tax	9,752	2,416	-	2,416
Motor Vehicle Tax	1,232	-	-	-
Recreational Vehicle Tax	7	-	-	-
16/20 M Vehicle Tax	23	-	-	-
Vehicle Rental Excise Tax	70	-	-	-
Commercial Vehicle Tax	1	-	-	-
Special Assessments	8,412	8,412	-	8,412
Operating Transfers In	811,373	792,326	792,325	1
Total Receipts	829,397	802,693	$ 792,325	$ 10,368
Expenditures				
Debt Service				
Principal	960,000	910,000	$ 655,000	$ 255,000
Interest	162,206	142,425	137,325	5,100
Total Expenditures	1,122,206	1,052,425	$ 792,325	$ 260,100
Receipts Over [Under] Expenditures	[292,809]	[249,732]		
Unencumbered Cash, Beginning	1,187,858	895,049		
Unencumbered Cash, Ending	$ 895,049	$ 645,317		

See independent auditor's report on the financial statements.

CITY OF INDEPENDENCE, KANSAS
Capital Reserve Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

	General Capital Reserve Fund	Streets Capital Reserve Fund	Airport Capital Reserve Fund	Water/Sewer Capital Reserve Fund
Receipts				
Intergovernmental				
Special Highway Tax	$ -	$ 116,213	$ -	$ -
Grants	-	-	88,500	-
Use of Money and Property				
Interest Income	-	-	-	9,148
Other Receipts				
Reimbursed Expense	149,994	-	-	-
Miscellaneous	-	-	574,419	-
Received from Housing Authority	-	25,000	-	-
Operating Transfers In	279,252	1,137,257	52,500	1,100,000
Total Receipts	429,246	1,278,470	715,419	1,109,148
Expenditures				
General Government				
Capital Outlay	251,805	1,156,215	1,080,913	60,847
Capital Lease Payment	163,736	-	-	-
Total Expenditures	415,541	1,156,215	1,080,913	60,847
Receipts Over [Under] Expenditures	13,705	122,255	[365,494]	1,048,301
Unencumbered Cash, Beginning	125,116	160,437	269,290	2,410,547
Unencumbered Cash, Ending	$ 138,821	$ 282,692	$ [96,204]	$ 3,458,848

* - These funds are not required to be budgeted.

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CITY OF INDEPENDENCE, KANSAS
Capital Project Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

	Skate Park Fund	Water Treatment Facility Upgrade Fund	City Projects Fund
Receipts			
Use of Money and Property			
Interest Income	$ -	$ -	$ -
Rents	-	-	-
Other Receipts			
Charge Offs and Recoveries	-	-	-
Reimbursed Expense	-	-	-
Donations	-	-	150,001
Miscellaneous	-	-	-
Operating Transfers In	-	-	97,000
Total Receipts	-	-	247,001
Expenditures			
General Government			
Contractual Services	-	-	-
Commodities	-	-	-
Capital Outlay	-	39,000	314,747
Capital Lease Payment	-	-	-
Operating Transfers Out	-	-	-
Total Expenditures	-	39,000	314,747
Receipts Over [Under] Expenditures	-	[39,000]	[67,746]
Unencumbered Cash, Beginning	1,695	[113,856]	75,000
Unencumbered Cash, Ending	$ 1,695	$ [152,856]	$ 7,254

* - These funds are not required to be budgeted.

CITY OF INDEPENDENCE, KANSAS
Capital Project Funds (Continued)
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

Peter Pan Geometric Project Fund	Penn/Chestnut - Oak Project Fund	2015-2016 KLINK Project Fund	Airport Restroom Project Fund	Curb Ramps Project Fund	WPC Loan C20 2043 Project Fund
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	61,289	97,942
-	-	-	-	-	-
44,994	-	-	2,500	-	-
44,994	-	-	2,500	61,289	97,942
[44,994]	-	-	[2,500]	[61,289]	[97,942]
44,994	34,943	318,879	2,500	235,651	-
$ -	$ 34,943	$ 318,879	$ -	$ 174,362	$ [97,942]

* - These funds are not required to be budgeted.

CITY OF INDEPENDENCE, KANSAS
Airport Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Intergovernmental				
Federal Grants	$ 20,000	$ -	$ -	$ -
Charges for Service				
Fuel Sales	490,662	574,182	550,000	24,182
Rents	179,899	153,352	119,300	34,052
Use of Money and Property				
Interest Income	1,599	1,282	1,000	282
Sale of Assets	14,000	-	-	-
Other Receipts				
Reimbursed Expense	6,152	11,495	-	11,495
Miscellaneous	1,893	11,970	-	11,970
Capital Lease Proceeds	90,288	-	-	-
Total Receipts	804,493	752,281	$ 670,300	$ 81,981
Expenditures				
Finance and Records Department				
Personal Services	101,205	105,224	$ 111,839	$ [6,615]
Contractual Services	121,853	121,666	162,421	[40,755]
Commodities	273,064	498,524	375,969	122,555
Capital Outlay	90,287	[1,166]	19,298	[20,464]
Capital Lease Payments	9,649	19,297	-	19,297
Total Expenditures	596,058	743,545	$ 669,527	$ 74,018
Receipts Over [Under] Expenditures	208,435	8,736		
Unencumbered Cash, Beginning	72,497	280,932		
Prior Period Adjustment	-	[533]		
Unencumbered Cash, Beginning, Restated	72,497	280,399		
Unencumbered Cash, Ending	$ 280,932	$ 289,135		

CITY OF INDEPENDENCE, KANSAS
Water and Sewer Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over [Under]
Receipts				
Charges for Service				
Water Sales	$ 2,714,858	$ 2,945,079	$ 2,888,930	$ 56,149
Sewer Charges	2,281,441	2,410,289	2,451,330	[41,041]
Late Fees	104,805	129,000	70,000	59,000
Turn on & Turn off	33,638	46,429	30,000	16,429
Charge Offs and Recoveries	33,461	[164,494]	20,000	[184,494]
Other Charges	[172]	2,250	1,000	1,250
Use of Money and Property				
Interest Income	40,034	12,875	50,000	[37,125]
Other Receipts				
Reimbursed Expense	32	724	-	724
Miscellaneous	13,584	13,542	14,000	[458]
Insurance Proceeds	8,239	-	-	-
Total Receipts	5,229,920	5,395,694	$ 5,525,260	$ [129,566]
Expenditures				
Water Production				
Personal Services	451,750	490,433	$ 482,191	$ 8,242
Contractual Services	151,374	163,397	302,600	[139,203]
Commodities	307,929	399,079	379,700	19,379
Capital Outlay	82,879	-	-	-
	993,932	1,052,909	1,164,491	[111,582]
Water Distribution				
Personal Services	395,112	434,960	512,604	[77,644]
Contractual Services	6,712	36,485	26,470	10,015
Commodities	196,834	239,142	149,500	89,642
Capital Outlay	2,745	34,000	625,000	[591,000]
	601,403	744,587	1,313,574	22,013
Sewer Treatment				
Personal Services	197,932	220,602	227,735	[7,133]
Contractual Services	217,091	160,695	217,900	[57,205]
Commodities	10,698	44,319	51,150	[6,831]
Capital Outlay	30,093	-	-	-
	455,814	425,616	496,785	[71,169]

CITY OF INDEPENDENCE, KANSAS
Water and Sewer Utility Fund (Continued)
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Expenditures (Continued)				
Sewer Collections				
Personal Services	$ 57,304	$ 64,110	$ 93,223	$ [29,113]
Contractual Services	15,025	62,229	16,000	46,229
Commodities	1,603	95,545	84,000	11,545
Capital Outlay	115,788	-	50,000	[50,000]
	189,720	221,884	243,223	[21,339]
Water/Sewer Administration				
Personal Services	102,465	151,742	208,791	[57,049]
Contractual Services	217,490	308,871	281,325	27,546
Commodities	1,184	3,923	2,000	1,923
Capital Outlay	-	32,051	217,642	[185,591]
	321,139	496,587	709,758	[213,171]
Debt Service				
Principal	137,518	140,977	195,933	[54,956]
Interest	80,376	54,956	-	54,956
	217,894	195,933	195,933	-
Mg Co Sewer District KDHE	8,028	8,028	8,028	-
Operating Transfers Out	1,915,163	2,028,413	1,378,413	650,000
Total Expenditures	4,703,093	5,173,957	$ 5,510,205	$ 254,752
Receipts Over [Under] Expenditures	526,827	221,737		
Unencumbered Cash, Beginning	2,543,314	3,155,691		
Prior Period Adjustment	-	[6,631]		
Unencumbered Cash, Beginning, Restated	2,543,314	3,149,060		
Prior Year Cancelled Encumbrance	85,550	246,225		
Unencumbered Cash, Ending	$ 3,155,691	$ 3,617,022		

CITY OF INDEPENDENCE, KANSAS
Sanitation Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Charges for Service				
Trash Collections	$ 1,158,362	$ 1,177,258	$ 1,165,000	$ 12,258
Charge Offs and Recoveries	3,748	[10,638]	6,000	[16,638]
Other Charges	4,573	10,203	5,000	5,203
Use of Money and Property				
Interest Income	6,893	2,978	10,000	[7,022]
Other Receipts				
Reimbursed Expense	16,881	123,521	-	123,521
Miscellaneous	2,381	7,651	2,000	5,651
Total Receipts	1,192,838	1,310,973	$ 1,188,000	$ 122,973
Expenditures				
Collections				
Personal Services	430,556	462,168	$ 491,446	$ [29,278]
Contractual Services	447,292	452,666	501,625	[48,959]
Commodities	59,458	100,934	76,000	24,934
Capital Outlay	-	193,807	200,000	[6,193]
Capital Lease Payment	25,379	12,786	12,690	96
Operating Transfers In	289,540	100,000	100,000	-
Total Expenditures	1,252,225	1,322,361	$ 1,381,761	$ [59,400]
Receipts Over [Under] Expenditures	[59,387]	[11,388]		
Unencumbered Cash, Beginning	755,228	695,841		
Prior Period Adjustment	-	[1,229]		
Unencumbered Cash, Beginning, Restated	755,228	694,612		
Unencumbered Cash, Ending	$ 695,841	$ 683,224		

See independent auditor's report on the financial statements.

CITY OF INDEPENDENCE, KANSAS
Grinder Pump Replacement Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Charges for Service	
Sewer Charges	$ 8,304
Use of Money and Property	
Interest Income	732
Total Receipts	9,036
Expenditures	
Public Works	
Contractual Services	45
Total Expenditures	45
Receipts Over [Under] Expenditures	8,991
Unencumbered Cash, Beginning	256,555
Unencumbered Cash, Ending	$ 265,546

* - This fund is not required to be budgeted.

CITY OF INDEPENDENCE, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2021

FUNDS	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Fire Insurance Proceeds	$ 9,975	$ 10,260	$ -	$ 20,235
Alcohol Assessment	3,820	-	-	3,820
First Aid Training	1,742	1,454	727	2,469
Total Agency Funds	$ 15,537	$ 11,714	$ 727	$ 26,524

Schedule 4

CITY OF INDEPENDENCE, KANSAS
Related Municipal Entity - Housing Authority of The City of Independence, Kansas
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Charges for Services	
Rents	$ 547,034
Cable	14,626
Use of Money and Property	
Interest Income	17,481
Intergovernmental	
HAP Payments	439,632
Federal Grants	63,088
Operations	
Security Deposits	11,718
Other Receipts	
Miscellaneous	30,826
Management Fees	17,509
Reimbursement	1,065
Rental Fee	1,174
Total Receipts	1,144,153
Expenditures	
Personal Services	440,039
Contractual Services	577,267
Commodities	57,062
Capital Outlay	113,215
Receipts Over [Under] Expenditures	1,187,583
Receipts Over [Under] Expenditures	[43,430]
Unencumbered Cash, Beginning	4,840,074
Prior Period Adjustment	[3,282]
Unencumbered Cash, Beginning, Restated	4,836,792
Unencumbered Cash, Ending	$ 4,793,362

* - This fund is not required to be budgeted.