

**CITY OF BURLINGTON, KANSAS**

**FINANCIAL STATEMENTS**

**Year ended December 31, 2021**

City of Burlington, Kansas  
Financial Statements  
Year ended December 31, 2021

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Financial Statements  
Year ended December 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

Mayor and City Council  
City of Burlington, Kansas

### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Burlington, Kansas, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Burlington, Kansas, as of December 31, 2021, and the respective changes in financial position thereof and the budgetary comparison for the General Fund and the City/County Infrastructure Project Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for 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 Statements 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 audit opinion.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, 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 amount and disclosures in the financial statements.

- 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 statements.
- Conclude whether, in our judgement, 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.

### **Emphasis of Matter**

#### *Prior Period Adjustment*

As discussed in Note I.E to the financial statements, certain errors in amounts previously reported as of December 31, 2020, were discovered by management of the City during the current year. Accordingly, these amounts have been restated in the December 31, 2021, financial statements now presented, and adjustments have been made to fund balance to correct the error. Our opinion is not modified with respect to these matters.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The combining and individual nonmajor fund financial statements and schedules, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, 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 financial statements as a whole.

*Gordon CPA LLC*

Certified Public Accountant  
Lawrence, Kansas

August 26, 2022

City of Burlington, Kansas

STATEMENT OF NET POSITION  
December 31, 2021

	Governmental Activities	Business-type Activities	Total
<b>Assets and Deferred Outflows of Resources</b>			
Current assets:			
Cash and cash equivalents	\$ 5,001,218	\$ 5,508,350	\$ 10,509,568
Cash with fiscal agent	8,580	-	8,580
Accounts receivable (net of allowance for uncollectibles)	-	450,389	450,389
Taxes receivable	702,898	-	702,898
Notes receivable	15,768	-	15,768
Inventory	-	328,179	328,179
Prepaid expenses	21,041	34,785	55,826
Restricted assets			
Cash and cash equivalents	-	53,137	53,137
Total current assets	<u>5,749,505</u>	<u>6,374,840</u>	<u>12,124,345</u>
Noncurrent assets:			
Capital assets:			
Capital assets, nondepreciable			
Land	-	246,649	246,649
Capital assets, depreciable	7,795,220	42,521,530	50,316,750
Less: accumulated depreciation	<u>[4,886,663]</u>	<u>[24,453,148]</u>	<u>[29,339,811]</u>
Total net capital assets	<u>2,908,557</u>	<u>18,315,031</u>	<u>21,223,588</u>
Total noncurrent assets	<u>2,908,557</u>	<u>18,315,031</u>	<u>21,223,588</u>
Total assets	<u>8,658,062</u>	<u>24,689,871</u>	<u>33,347,933</u>
Deferred outflows of resources			
Net pension liability	182,766	217,095	399,861
OPEB liability	3,822	-	3,822
KPERs OPEB liability	3,635	-	3,635
Total deferred outflows of resources	<u>190,223</u>	<u>217,095</u>	<u>407,318</u>
Total assets and deferred outflows of resources	<u>\$ 8,848,285</u>	<u>\$ 24,906,966</u>	<u>\$ 33,755,251</u>
<b>Liabilities and Deferred Inflows of Resources</b>			
Liabilities:			
Current liabilities:			
Accrued liabilities	\$ 37,511	\$ 36,045	\$ 73,556
Accounts payable	84,231	343,268	427,499
Interest payable	1,375	219,157	220,532
Matured bond principal and interest	8,580	-	8,580
Meter deposits	-	53,137	53,137
Current portion of bonds and notes payable	70,000	474,672	544,672
Total current liabilities	<u>395,740</u>	<u>1,126,279</u>	<u>1,522,019</u>
Noncurrent liabilities:			
Net OPEB liability	21,534	-	21,534
KPERs OPEB liability	44,954	-	44,954
Accrued compensated absences	239,059	155,397	394,456
General obligation bonds and notes payable	124,896	8,533,134	8,658,030
Net pension liability	<u>562,098</u>	<u>662,554</u>	<u>1,224,652</u>
Total noncurrent liabilities	<u>992,541</u>	<u>9,351,085</u>	<u>10,343,626</u>
Total liabilities	<u>1,388,281</u>	<u>10,477,364</u>	<u>11,865,645</u>
Deferred Inflows of Resources			
Unavailable revenue - property taxes	689,932	-	689,932
Net OPEB liability	19,681	-	19,681
KPERs OPEB liability	28,789	-	28,789
Net pension liability	<u>217,496</u>	<u>237,974</u>	<u>455,470</u>
Total deferred inflows of resources	<u>955,898</u>	<u>237,974</u>	<u>1,193,872</u>
Total liabilities and deferred inflows of resources	<u>\$ 2,344,179</u>	<u>\$ 10,715,338</u>	<u>\$ 13,059,517</u>
<b>Net Position</b>			
Net investment in capital assets	\$ 2,713,661	\$ 9,307,225	\$ 12,020,886
Restricted for:			
Debt service	7,797	-	7,797
Unrestricted	<u>3,782,648</u>	<u>4,884,403</u>	<u>8,667,051</u>
Total net position	<u>\$ 6,504,106</u>	<u>\$ 14,191,628</u>	<u>\$ 20,695,734</u>

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

City of Burlington, Kansas

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2021

	Program Revenues			Net [Expenses] Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business Type Activities	Total
<b>Governmental activities:</b>						
General government	\$ 586,240	\$ 188,294	\$ -	\$ [397,946]	\$ -	\$ [397,946]
Public safety	896,710	246,744	-	[649,966]	-	[649,966]
Highways and streets	747,318	-	493,565	[253,753]	-	[253,753]
Culture and recreation	254,888	11,863	113,233	[129,792]	-	[129,792]
Economic development	443	-	-	[443]	-	[443]
Interest on long-term debt	214,772	-	-	[214,772]	-	[214,772]
Total governmental activities	<u>2,700,371</u>	<u>446,901</u>	<u>606,798</u>	<u>[1,646,672]</u>	<u>-</u>	<u>[1,646,672]</u>
<b>Business-type activities:</b>						
Electric Utility	4,363,712	4,320,195	-	-	[43,517]	[43,517]
Sewer Utility	785,637	448,560	173,289	-	[163,788]	[163,788]
Water Utility	1,121,402	1,207,123	-	-	85,721	85,721
Total business-type activities	<u>6,270,751</u>	<u>5,975,878</u>	<u>173,289</u>	<u>-</u>	<u>[121,584]</u>	<u>[121,584]</u>
Total government	<u>\$ 8,971,122</u>	<u>\$ 6,422,779</u>	<u>\$ 780,087</u>	<u>[1,646,672]</u>	<u>[121,584]</u>	<u>[1,768,256]</u>
<b>General Revenues:</b>						
Property taxes levied for						
General purposes				730,680	-	730,680
Debt service				63,366	-	63,366
Sales tax				881,383	293,794	1,175,177
Franchise tax				18,049	-	18,049
Special assessments				14,220	-	14,220
Investments earnings				24,442	-	24,442
Miscellaneous				287,586	86,535	374,121
Transfers, net				509,771	[509,771]	-
Total general revenues and transfers				<u>2,529,497</u>	<u>[129,442]</u>	<u>2,400,055</u>
Change in net position				<u>882,825</u>	<u>[251,026]</u>	<u>631,799</u>
Net position - beginning				5,382,844	14,442,654	19,825,498
Prior period adjustment				<u>238,437</u>	<u>-</u>	<u>238,437</u>
Net position - beginning, restated				<u>5,621,281</u>	<u>14,442,654</u>	<u>20,063,935</u>
Net position - ending				<u>\$ 6,504,106</u>	<u>\$ 14,191,628</u>	<u>\$ 20,695,734</u>

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

City of Burlington, Kansas

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2021

	General	Bond and Interest	County/ City Infrastructure Project	Infrastructure	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 380,793	\$ 7,797	\$ 598,350	\$ 1,678,151	\$ 2,336,127	\$ 5,001,218
Cash with fiscal agent	-	8,580	-	-	-	8,580
Receivables						
Taxes	605,257	54,702	-	-	42,939	702,898
Notes	-	-	-	-	15,768	15,768
Prepaid expenses	18,401	-	-	-	2,640	21,041
Total assets	<u>\$ 1,004,451</u>	<u>\$ 71,079</u>	<u>\$ 598,350</u>	<u>\$ 1,678,151</u>	<u>\$ 2,397,474</u>	<u>\$ 5,749,505</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ [4,406]	\$ -	\$ 81,178	\$ -	\$ 7,459	\$ 84,231
Accrued liabilities	37,511	-	-	-	-	37,511
Unearned revenue	-	-	-	-	194,043	194,043
Matured bonds and interest payable	-	8,580	-	-	-	8,580
Total liabilities	<u>33,105</u>	<u>8,580</u>	<u>81,178</u>	<u>-</u>	<u>201,502</u>	<u>324,365</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	605,257	54,702	-	-	29,973	689,932
Total deferred inflows of resources	<u>605,257</u>	<u>54,702</u>	<u>-</u>	<u>-</u>	<u>29,973</u>	<u>689,932</u>
Total liabilities and deferred inflows of resources	<u>638,362</u>	<u>63,282</u>	<u>81,178</u>	<u>-</u>	<u>231,475</u>	<u>1,014,297</u>
Fund balance:						
Restricted	-	7,797	-	-	914,584	922,381
Committed	-	-	517,172	1,678,151	1,251,415	3,446,738
Unassigned	366,089	-	-	-	-	366,089
Total fund balance	<u>366,089</u>	<u>7,797</u>	<u>517,172</u>	<u>1,678,151</u>	<u>2,165,999</u>	<u>4,735,208</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,004,451</u>	<u>\$ 71,079</u>	<u>\$ 598,350</u>	<u>\$ 1,678,151</u>	<u>\$ 2,397,474</u>	<u>\$ 5,749,505</u>

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



City of Burlington, Kansas

RECONCILIATION OF THE TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
December 31, 2021

Total Governmental Fund Balances		\$ 4,735,208
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
The cost of capital assets is	7,795,220	
Accumulated depreciation is	<u>4,886,663</u>	2,908,557
Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position.		182,766
Pension fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position.		[217,496]
A long-term liability is recorded for the unfunded portion of post employment benefits other than pensions, while in the governmental funds, liabilities that do not require satisfaction with current resources are not recorded.		[107,501]
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long term liabilities at year end consist of:		
Bonds payable	[194,896]	
Interest payable	[1,375]	
Net pension liability	[562,098]	
Compensated absences payable	<u>[239,059]</u>	<u>[997,428]</u>
Net Position of Governmental Activities		<u>\$ 6,504,106</u>

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

City of Burlington, Kansas

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2021

	General	Debt Service	County/ City Infrastructure Project	Infrastructure	Other Governmental Funds	Total Governmental Funds
REVENUES:						
Property tax	\$ 702,342	\$ 63,366	\$ -	\$ -	\$ 28,338	\$ 794,046
Sales tax	587,589	-	-	-	293,794	881,383
Franchise tax	18,049	-	-	-	-	18,049
Charges for services	33,097	-	-	-	158,017	191,114
Special assessments	1,559	11,439	-	-	1,222	14,220
Intergovernmental	1,649	-	209,864	-	395,285	606,798
Licenses and permits	9,043	-	-	-	-	9,043
Fines and fees	244,144	-	-	-	2,600	246,744
Use of money and property	23,158	-	-	-	1,284	24,442
Reimbursements	14,940	-	213,496	-	13,266	241,702
Miscellaneous	45,882	-	-	-	-	45,882
Total revenues	<u>1,681,452</u>	<u>74,805</u>	<u>423,360</u>	<u>-</u>	<u>893,806</u>	<u>3,073,423</u>
EXPENDITURES:						
Current						
General government	162,349	-	-	173,288	220,394	556,031
Public safety	858,777	-	-	-	-	858,777
Highways and streets	506,955	-	-	-	266,534	773,489
Culture and recreation	206,015	-	-	-	14,867	220,882
Economic development	-	-	-	-	443	443
Public health	3,680	-	-	-	-	3,680
Capital outlay	37,359	-	706,690	-	201,446	945,495
Debt service						
Principal	-	62,951	-	-	7,049	70,000
Interest and other charges	-	5,525	-	211,483	-	217,008
Total expenditures	<u>1,775,135</u>	<u>68,476</u>	<u>706,690</u>	<u>384,771</u>	<u>710,733</u>	<u>3,645,805</u>
Excess [deficiency] of revenues over [under] expenditures	<u>[93,683]</u>	<u>6,329</u>	<u>[283,330]</u>	<u>[384,771]</u>	<u>183,073</u>	<u>[572,382]</u>
OTHER FINANCING SOURCES [USES]						
Transfers [out]	[35,000]	-	-	-	-	[35,000]
Transfers in	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>384,771</u>	<u>35,000</u>	<u>544,771</u>
Total other financing sources [uses]	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>384,771</u>	<u>35,000</u>	<u>509,771</u>
Net change in fund balances	<u>[3,683]</u>	<u>6,329</u>	<u>[283,330]</u>	<u>-</u>	<u>218,073</u>	<u>[62,611]</u>
Fund balance, January 1	<u>369,772</u>	<u>1,468</u>	<u>800,502</u>	<u>1,678,151</u>	<u>1,947,926</u>	<u>4,797,819</u>
Fund balance, December 31	<u>\$ 366,089</u>	<u>\$ 7,797</u>	<u>\$ 517,172</u>	<u>\$ 1,678,151</u>	<u>\$ 2,165,999</u>	<u>\$ 4,735,208</u>

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

City of Burlington, Kansas

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES WITH THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2021

Total Net Change In Fund Balances - Governmental Funds	\$ [62,611]
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Amounts reported for governmental activities in the statement of activities are different because

Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period.

Capital asset additions	1,147,086	
Loss on sale of assets	[11,497]	
Depreciation expense	<u>[273,477]</u>	862,112

Some expenses reported in the statement of activities, such as compensated absences and net other post employment benefit obligations, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	[1,047]	
OPEB liability	[699]	
KPERS OPEB liability	<u>[15,473]</u>	[17,219]

Pension payments are reported as expenditures in the governmental funds and do not affect the statement of net activities.	26,674
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	2,236
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Repayment of loan principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.	<u>71,633</u>
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Changes In Net Position of Governmental Activities	<u>\$ 882,825</u>
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City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
GENERAL FUND  
For the Year Ended December 31, 2021

	GAAP	Adjustments	Budgetary	Budgeted Amounts		Variance with
	Basis	to Budgetary	Basis	Original	Final	Final Budget
		Basis				Positive
						[Negative]
Revenues						
Property tax	\$ 702,342	\$ -	\$ 702,342	\$ 715,088	\$ 715,088	\$ [12,746]
Sales tax	587,589	-	587,589	525,000	525,000	62,589
Franchise tax	18,049	-	18,049	22,000	22,000	[3,951]
Licenses and permits	9,043	-	9,043	10,850	10,850	[1,807]
Special assessments	1,559	-	1,559	4,000	4,000	[2,441]
Charges for services	33,097	[11,862]	21,235	22,924	22,924	[1,689]
Intergovernmental	1,649	-	1,649	5,916	5,916	[4,267]
Fines and fees	244,144	[152,087]	92,057	75,000	75,000	17,057
Use of money and property	23,158	-	23,158	95,000	95,000	[71,842]
Reimbursements	45,882	-	45,882	11,000	11,000	34,882
Miscellaneous	14,940	-	14,940	68,175	68,175	[53,235]
Total revenues	1,681,452	[163,949]	1,517,503	1,554,953	1,554,953	[37,450]
Expenditures						
General government						
Personal services	67,368	-	67,368	95,900	95,900	28,532
Contractual services	80,207	[21,354]	58,853	58,111	58,111	[742]
Commodities	14,774	-	14,774	8,975	8,975	[5,799]
Capital outlay	35,964	-	35,964	75,000	75,000	39,036
Total general government	198,313	[21,354]	176,959	237,986	237,986	61,027
Public safety						
Personal services	512,599	-	512,599	668,968	668,968	156,369
Contractual services	299,505	[125,631]	173,874	136,144	136,144	[37,730]
Commodities	46,673	-	46,673	11,650	11,650	[35,023]
Total public safety	858,777	[125,631]	733,146	816,762	816,762	83,616
Highway and streets						
Personal services	373,309	-	373,309	498,104	498,104	124,795
Contractual services	112,305	-	112,305	169,307	169,307	57,002
Commodities	21,341	-	21,341	15,300	15,300	[6,041]
Total highway and streets	506,955	-	506,955	682,711	682,711	175,756

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
GENERAL FUND (Continued)  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Culture and recreation						
Personal services	\$ 144,216	\$ -	\$ 144,216	\$ 177,340	\$ 177,340	\$ 33,124
Contractual services	50,200	-	50,200	54,236	54,236	4,036
Commodities	11,599	-	11,599	10,300	10,300	[1,299]
Capital outlay	1,395	-	1,395	-	-	[1,395]
Total culture and recreation	207,410	-	207,410	241,876	241,876	34,466
Public health						
Personal services	3,680	-	3,680	8,650	8,650	4,970
Total public health	3,680	-	3,680	8,650	8,650	4,970
Total expenditures	1,775,135	[146,985]	1,628,150	1,987,985	1,987,985	359,835
Excess [deficiency] of revenues over [under] expenditures	[93,683]	[16,964]	[110,647]	[433,032]	[433,032]	322,385
Other financing sources [uses]						
Transfer [out]	[35,000]	-	[35,000]	[35,000]	[35,000]	-
Transfers in	125,000	-	125,000	125,000	125,000	-
Total other financing sources [uses]	90,000	-	90,000	90,000	90,000	-
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	[3,683]	[16,964]	[20,647]	\$ [343,032]	\$ [343,032]	\$ 322,385
Fund balance, January 1	369,772	[65,534]	304,238			
Fund balance, December 31	\$ 366,089	\$ [82,498]	\$ 283,591			

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
CITY/COUNTY INFRASTRUCTURE PROJECT FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 209,864	\$ -	\$ 209,864	\$ 209,864	\$ 209,864	\$ -
Reimbursements	<u>213,496</u>	<u>-</u>	<u>213,496</u>	<u>-</u>	<u>-</u>	<u>213,496</u>
Total revenues	<u>423,360</u>	<u>-</u>	<u>423,360</u>	<u>209,864</u>	<u>209,864</u>	<u>213,496</u>
Expenditures						
Capital outlay	<u>706,690</u>	<u>-</u>	<u>706,690</u>	<u>995,610</u>	<u>995,610</u>	<u>288,920</u>
Total expenditures	<u>706,690</u>	<u>-</u>	<u>706,690</u>	<u>995,610</u>	<u>995,610</u>	<u>288,920</u>
Excess [deficiency] of revenues over [under] expenditures	[283,330]	-	[283,330]	<u>\$ [785,746]</u>	<u>\$ [785,746]</u>	<u>\$ 502,416</u>
Fund balance, January 1,	<u>800,502</u>	<u>-</u>	<u>800,502</u>			
Fund balance, December 31	<u><u>\$ 517,172</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 517,172</u></u>			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
December 31, 2021

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Total
<b>Assets and Deferred Outflows of Resources</b>				
Current assets:				
Cash and cash equivalents	\$ 3,892,794	\$ 734,095	\$ 881,461	\$ 5,508,350
Accounts receivable (net of allowance for uncollectibles)	319,973	36,015	94,401	450,389
Inventory	295,435	6,142	26,602	328,179
Prepaid expenses	18,395	1,744	14,646	34,785
Restricted assets				
Cash and cash equivalents	41,953	-	11,184	53,137
Total current assets	<u>4,568,550</u>	<u>777,996</u>	<u>1,028,294</u>	<u>6,374,840</u>
Capital assets:				
Capital assets, nondepreciable				
Land	4,000	166,649	76,000	246,649
Capital assets, depreciable				
Utility plant	12,879,194	15,728,340	13,913,996	42,521,530
Less: accumulated depreciation	<u>[11,039,465]</u>	<u>[6,971,078]</u>	<u>[6,442,605]</u>	<u>[24,453,148]</u>
Total net capital assets	<u>1,843,729</u>	<u>8,923,911</u>	<u>7,547,391</u>	<u>18,315,031</u>
Deferred outflows of resources				
Pension liability	125,448	31,600	60,047	217,095
Total deferred outflows of resources	<u>125,448</u>	<u>31,600</u>	<u>60,047</u>	<u>217,095</u>
Total assets and deferred outflows of resources	<u>\$ 6,537,727</u>	<u>\$ 9,733,507</u>	<u>\$ 8,635,732</u>	<u>\$ 24,906,966</u>
<b>Liabilities and Deferred Inflows of Resources</b>				
Current liabilities:				
Accrued liabilities	\$ 23,802	\$ 1,289	\$ 10,954	\$ 36,045
Accounts payable	325,688	666	16,914	343,268
Interest payable	-	211,483	7,674	219,157
Meter deposits	41,953	-	11,184	53,137
Current portion of bonds and notes payable	-	161,102	313,570	474,672
Total current liabilities	<u>391,443</u>	<u>374,540</u>	<u>360,296</u>	<u>1,126,279</u>
Noncurrent liabilities:				
Accrued compensated absences	105,626	9,530	40,241	155,397
Long-term portion of bonds and notes payable	-	7,781,944	751,190	8,533,134
Net pension liability	<u>353,602</u>	<u>98,884</u>	<u>210,068</u>	<u>662,554</u>
Total noncurrent liabilities	<u>459,228</u>	<u>7,890,358</u>	<u>1,001,499</u>	<u>9,351,085</u>
Total liabilities	<u>850,671</u>	<u>8,264,898</u>	<u>1,361,795</u>	<u>10,477,364</u>
Deferred inflows of resources				
Pension liability	149,835	23,343	64,796	237,974
Total deferred outflows of resources	<u>149,835</u>	<u>23,343</u>	<u>64,796</u>	<u>237,974</u>
Total liabilities and deferred inflows of resources	<u>\$ 1,000,506</u>	<u>\$ 8,288,241</u>	<u>\$ 1,426,591</u>	<u>\$ 10,715,338</u>
<b>Net position:</b>				
Net investment in capital assets	\$ 1,843,729	\$ 980,865	\$ 6,482,631	\$ 9,307,225
Unreserved	<u>3,693,492</u>	<u>464,401</u>	<u>726,510</u>	<u>4,884,403</u>
Total net position	<u>\$ 5,537,221</u>	<u>\$ 1,445,266</u>	<u>\$ 7,209,141</u>	<u>\$ 14,191,628</u>

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

City of Burlington, Kansas

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2021

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Totals
Operating revenues				
Charges for services	\$ 4,320,195	\$ 448,560	\$ 1,207,123	\$ 5,975,878
Reimbursements	72,368	-	[2]	72,366
Miscellaneous	4,099	237	9,833	14,169
Total operating revenues	4,396,662	448,797	1,216,954	6,062,413
Operating expenses				
Collection and treatment	-	204,986	-	204,986
Production	3,211,104	-	446,525	3,657,629
Distribution	531,420	-	258,766	790,186
Administration and general	318,097	4,703	88,880	411,680
Depreciation and amortization	303,091	575,948	309,949	1,188,988
Total operating expenses	4,363,712	785,637	1,104,120	6,253,469
Operating income [loss]	32,950	[336,840]	112,834	[191,056]
Nonoperating revenues [expenses]				
Contributed capital	-	173,289	-	173,289
Capital improvement sales tax	-	293,794	-	293,794
Investment revenue	-	-	-	-
Interest expense	-	-	[17,282]	[17,282]
Total nonoperating revenues [expenses]	-	467,083	[17,282]	449,801
Income before operating transfers	32,950	130,243	95,552	258,745
Transfers				
Transfer [out]	[95,000]	[428,771]	[25,000]	[548,771]
Transfers in	-	39,000	-	39,000
Total transfers	[95,000]	[389,771]	[25,000]	[509,771]
Change in net position	[62,050]	[259,528]	70,552	[251,026]
Net position, January 1	5,599,271	1,704,794	7,138,589	14,442,654
Net position, December 31	\$ 5,537,221	\$ 1,445,266	\$ 7,209,141	\$ 14,191,628

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



City of Burlington, Kansas

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Year Ended December 31, 2021

	Business-Type Activities: Enterprise Funds			
	Electric Utility	Sewer Utility	Water Utility	Totals
Cash flows from operating activities				
Cash received from customers	\$ 4,376,930	\$ 446,979	\$ 1,221,443	\$ 6,045,352
Cash paid to suppliers and employees	<u>[3,978,903]</u>	<u>[219,677]</u>	<u>[812,308]</u>	<u>[5,010,888]</u>
Net cash provided by [used in] operating activities	<u>398,027</u>	<u>227,302</u>	<u>409,135</u>	<u>1,034,464</u>
Cash flows from noncapital financing activities				
Sales taxes revenue	-	293,794	-	293,794
Transfers [to] from other funds	<u>[95,000]</u>	<u>[389,771]</u>	<u>[25,000]</u>	<u>[509,771]</u>
Net cash provided by [used in] noncapital financing activities	<u>[95,000]</u>	<u>[95,977]</u>	<u>[25,000]</u>	<u>[215,977]</u>
Cash flows from noncapital financing activities				
Interest received	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities				
Purchase and construction of capital assets	-	-	-	-
Capital contributions	-	173,289	-	173,289
Interest paid on bonds and loans	-	[16,591]	[28,823]	[45,414]
Payments on bonds	-	[156,697]	-	[156,697]
Payments on loans	<u>-</u>	<u>-</u>	<u>[296,190]</u>	<u>[296,190]</u>
Net cash provided by [used in] capital and related financing activities	<u>-</u>	<u>1</u>	<u>[325,013]</u>	<u>[325,012]</u>
Net increase [decrease] in cash and cash equivalents	303,027	131,326	59,122	493,475
Cash and cash equivalents, January 1	<u>3,631,720</u>	<u>602,769</u>	<u>833,523</u>	<u>5,068,012</u>
Cash and cash equivalents, December 31	<u>\$ 3,934,747</u>	<u>\$ 734,095</u>	<u>\$ 892,645</u>	<u>\$ 5,561,487</u>

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

City of Burlington, Kansas

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (Continued)  
 For the Year Ended December 31, 2021

	Business-Type Activities: Enterprise Funds			
	<u>Electric Utility</u>	<u>Sewer Utility</u>	<u>Water Utility</u>	<u>Totals</u>
Reconciliation of operating income [loss] to net cash provided by [used in] operating activities				
Operating income [loss]	\$ 32,950	\$ [336,840]	\$ 112,834	\$ [191,056]
Adjustments to reconcile operating income [loss] to net cash provided by [used in] operating activities				
Depreciation expense	303,091	575,948	309,949	1,188,988
[Increase] decrease in accounts receivable	[19,732]	[1,818]	4,489	[17,061]
[Increase] decrease in prepaid expenses	[315]	[85]	[638]	[1,038]
[Increase] decrease in inventory	[7,585]	2,591	[6,030]	[11,024]
[Increase] decrease in deferred outflows	16,579	2,440	6,805	25,824
Increase [decrease] in accrued liabilities	3,924	[2,422]	1,877	3,379
Increase [decrease] in deferred inflows	139,494	20,525	57,264	217,283
Increase [decrease] in net pension liability	[176,022]	[25,899]	[72,260]	[274,181]
Increase [decrease] in accounts payable	100,966	[9,715]	[10,697]	80,554
Increase [decrease] in accrued compensated absences	4,677	2,577	5,542	12,796
Net cash provided by [used in] operating activities	<u>\$ 398,027</u>	<u>\$ 227,302</u>	<u>\$ 409,135</u>	<u>\$ 1,034,464</u>

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

City of Burlington, Kansas

STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
December 31, 2021

	KS Loan Program <u>Fund</u>
ASSETS	
Cash and cash equivalents	\$ -
Receivables (net of allowance for uncollectibles)	<u>-</u>
Total assets	<u><u>\$ -</u></u>
LIABILITIES	
Accounts payable	<u>\$ -</u>
Total liabilities	<u><u>\$ -</u></u>
NET POSITION	
Net position	
Restricted for individuals, organizations or other governments	<u>\$ -</u>

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

City of Burlington, Kansas

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS

For the Year Ended December 31, 2021

	KS Loan Program <u>Fund</u>
Additions	
Charges for services	\$ 841
Total additions	841
Deductions	
Contractual services	841
Total deductions	841
Change in net position	-
Net position, January 1	-
Net position, December 31	\$ -

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

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. *Reporting Entity***

The City of Burlington, Kansas, (the City) is a municipal corporation governed by a mayor and an elected six-member council. These financial statements present the City (the primary government) and exclude all component units of which the City appointed a voting majority of the unit's board, and the City is either able to impose its will on the unit or a financial benefit or burden relationship exists. Thus, these financial statements of the City consist only of the funds of the primary government, excluding the Burlington Housing Authority.

The Burlington Housing Authority is a component unit for which the City appoints the governing board. The City makes no financial appropriation to the Burlington Housing Authority. Complete financial statements for this component unit are available from the Burlington Housing Authority.

**B. *Government-wide and fund financial statements***

The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the City's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items which are not classified as program revenues are presented as general revenues of the City.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column in the fund financial statements.

**C. *Measurement Focus, Basis of Accounting and Basis of Presentation***

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

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on fixed assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Fiduciary funds are used to report assets held in trustee or custodial capacity for others and are not available to support City programs.

The City reports the following major governmental funds:

The *General Fund* is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

The *Bond and Interest Fund* is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for the payment.

The *County/City Infrastructure Project Fund* is used to account for designated special infrastructure projects.

The *Infrastructure Fund* is used to account for special infrastructure projects.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)**

The City reports the following major proprietary funds:

The *Electric Utility Fund* is used to account for the provision of electric service to the residents of the City. All activities necessary to provide electric service are accounted for in this fund.

The *Sewer Utility Fund* is used to account for all sewer operations including administration, maintenance, financing and related debt service and billing collection. All operations are financed by means of customer user fees which are established by the governing body.

The *Water Utility Fund* is used to account for the provision of water service to the residents of the City. All activities necessary to provide water service are accounted for in this fund, including administration, operations, maintenance, financing and related debt service and billing collection.

**D. Assets, Liabilities and Equity**

**1. Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments (including certificates of deposit) with original maturities of three months or less from the date of acquisition.

Kansas statutes authorize the City to invest in U.S. Treasury bills and notes, repurchase agreements, the Kansas Municipal Investment Pool, and certain other types of federal and Kansas municipal obligations. Investments are stated at cost.

**2. Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Collection of current year property tax by the County Treasurer is not completed, apportioned or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City and therefore are not susceptible to accrual. Accruals of uncollected current year property taxes are offset by deferred revenue and are identical to the adopted budget for 2022.

It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the accounting period, and further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

**2. Receivables and Payables (Continued)**

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become a lien on the property as of that date. Payments are due November 1, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

The City maintains two revolving loan funds classified as permanent funds which make loans to local businesses.

**3. Inventories and Prepaid Items**

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**4. Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$3,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets used in governmental fund types of the City are recorded at cost or estimated historical cost if purchased or constructed.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type is included in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Equipment	5-25
Vehicles	5-10



NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

5. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment and monies from meter deposits are classified as restricted assets on the balance sheet because their use is limited.

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A liability is reported for one half of unpaid accumulated sick leave which is payable on retirement. Vacation pay and one half of sick leave is accrued when incurred in the governmental wide and proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund, in the fund financial statements that will pay it.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. Fund Equity

In the fund financial statements, governmental funds report fund balance in the following classifications: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Restricted fund balance indicates that constraints have been placed on the use of resources either by being externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city council. Assigned fund balances include amounts that are constrained by the City management's intent to be used for specific purposes, but are neither restricted nor committed. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available restricted amounts is considered to be spent first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the following is the order in which resources will be expended: committed, assigned and unassigned.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

**8. Fund Equity (Continued)**

The following is the detail for fund balance classifications in the financial statements:

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds
	General	Bond and Interest	County/City Infrastructure Project	Infrastructure		
Fund Balances:						
Restricted for:						
Debt retirement	\$ -	\$ 7,797	\$ -	\$ -	\$ -	\$ 7,797
Economic development	-	-	-	-	20,836	20,836
Liability coverage	-	-	-	-	4,108	4,108
Highways and streets	-	-	-	-	849,058	849,058
Culture and recreation	-	-	-	-	26,647	26,647
Cemetery	-	-	-	-	13,935	13,935
Committed for:						
Economic development	-	-	-	-	251,107	251,107
Equipment outlay	-	-	-	-	239,021	239,021
Special improvements	-	-	517,172	1,678,151	17,497	2,212,820
Public safety	-	-	-	-	6,408	6,408
Highways and streets	-	-	-	-	387,122	387,122
Culture and recreation	-	-	-	-	350,260	350,260
Unassigned:	<u>366,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>366,089</u>
Total Fund Balances	<u>\$ 366,089</u>	<u>\$ 7,797</u>	<u>\$ 517,172</u>	<u>\$ 1,678,151</u>	<u>\$ 2,165,999</u>	<u>\$ 4,735,208</u>

**9. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**10. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

10. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government funds report unavailable revenues from one source: property taxes.

11. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**E. Restatement of Equity**

During the year ended December 31, 2021, management discovered certain errors that occurred in the prior year. The effects of these items caused a restatement to net position as follows:

	Governmental <u>Activities</u>
Net position, beginning	\$ 5,382,844
Prior period adjustment	<u>238,437</u>
Net position, beginning, restated	<u>\$ 5,621,281</u>

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. 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 fund, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

***A. Budgetary Information (Continued)***

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the 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 the 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 20<sup>th</sup>. The City was not required to hold a revenue neutral rate hearing for the 2021.

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. The 2021 budget was not amended.

The statutes permit management to transfer budgeted amounts between accounts within an individual fund. However, such statutes prohibit management from incurring expenditures in excess of the total amount of the adopted budget for expenditures of individual funds without first following the amendment procedures mentioned in the above paragraph. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for the fiduciary funds.

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

The actual data presented in the budgetary comparison statements differs from the data presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the effects on the ending fund balances caused by the difference in accounting between the budgetary basis and GAAP.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

III. DETAILED NOTES ON ALL FUNDS

A. Budgetary Information (Continued)

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds
	General	Bond and Interest	County/City Infrastructure Project	Infrastructure		
GAAP FUND BALANCE December 31, 2021	\$ 366,089	\$ 7,797	\$ 517,172	\$ 1,678,151	\$ 2,165,999	\$ 4,735,208
Adjustments:						
Unreserved fund balances not subject to the Kansas Budget Law:						
Infrastructure Fund	-	-	-	[1,678,151]	-	[1,678,151]
Drug Forfeiture	-	-	-	-	[1,101]	[1,101]
Revolving Loan (CDBG)	-	-	-	-	[136,979]	[136,979]
Revolving Loan (Coffey County)	-	-	-	-	[114,128]	[114,128]
Special Cemetery Trust	-	-	-	-	[13,720]	[13,720]
Municipal Court cash balance	[18,464]	-	-	-	-	[18,464]
Cemetery cash balance	[64,034]	-	-	-	-	[64,034]
Total deductions	[82,498]	-	-	[1,678,151]	[265,928]	[2,026,577]
BUDGETARY FUND BALANCE December 31, 2021	\$ 283,591	\$ 7,797	\$ 517,172	\$ -	\$ 1,900,071	\$ 2,708,631

A. Deposits and Investments

The City's cash is considered to be active funds by management and is invested according to K.S.A. 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county in which the City is located or an adjacent county and the banks provide an acceptable rate for active funds.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk require that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to K.S.A. 9-1402. The Kansas State Treasurer's Fiscal Agency Department held an unsecured and uncollateralized deposit of \$8,580. The City's bank accounts at Central National Bank were also unsecured at year end.

The City does not have any formal investment policies that would further limit concentration of credit risk, interest rate, or custodial credit risks beyond state statutes.

B. Receivables

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Bond and Interest	Other Governmental	Electric Utility	Sewer Utility	Water Utility	Totals
Receivables:							
Taxes	\$ 605,257	\$ 54,702	\$ 42,939	\$ -	\$ -	\$ -	\$ 702,898
Notes	-	-	15,768	-	-	-	15,768
Accounts	-	-	-	319,973	36,015	94,401	450,389
Net total receivables	\$ 605,257	\$ 54,702	\$ 58,707	\$ 319,973	\$ 36,015	\$ 94,401	\$ 1,169,055

Notes receivables consist of loans to businesses for local economic development activities.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	Restated Balance 12/31/2020	Additions	Retirements	Balance 12/31/2021
City governmental activities:				
Capital assets, being depreciated				
Land & Buildings	\$ 4,249,438	\$ 1,036,434	\$ -	\$ 5,285,872
Equipment	1,553,904	84,349	13,618	1,624,635
Vehicles	<u>858,410</u>	<u>26,304</u>	<u>-</u>	<u>884,714</u>
Total capital assets	<u>6,661,752</u>	<u>1,147,086</u>	<u>13,618</u>	<u>7,795,221</u>
Less accumulated depreciation for:				
Buildings	1,891,026	154,094	-	2,045,120
Equipment	2,024,106	64,046	2,121	2,086,030
Vehicles	<u>700,175</u>	<u>55,338</u>	<u>-</u>	<u>755,513</u>
Total accumulated depreciation	<u>4,615,307</u>	<u>273,477</u>	<u>2,121</u>	<u>4,886,663</u>
Governmental activities capital assets, net	<u>\$ 2,046,445</u>	<u>\$ 873,609</u>	<u>\$ 11,497</u>	<u>\$ 2,908,558</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 246,649	\$ -	\$ -	\$ 246,649
Capital assets, being depreciated				
Plant	41,443,551	-	-	41,443,551
Machinery and equipment	<u>1,077,979</u>	<u>-</u>	<u>-</u>	<u>1,077,979</u>
Total capital assets	<u>42,768,179</u>	<u>-</u>	<u>-</u>	<u>42,768,179</u>
Less accumulated depreciation for:				
Plant	22,275,330	1,183,252	-	23,458,582
Machinery and equipment	<u>988,830</u>	<u>5,736</u>	<u>-</u>	<u>994,566</u>
Total accumulated depreciation	<u>23,264,160</u>	<u>1,188,988</u>	<u>-</u>	<u>24,453,148</u>
Business-type activities capital assets, net	<u>\$ 19,504,019</u>	<u>\$ [1,188,988]</u>	<u>\$ -</u>	<u>\$ 18,315,031</u>

City of Burlington, Kansas  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets (Continued)**

The City's depreciation expense was charged to governmental functions as follows:

Governmental Activities:

General government	\$ 16,101
Culture and recreation	37,713
Highway and streets	184,831
Public safety	<u>34,832</u>

Total depreciation	<u>\$ 273,477</u>
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Business-type Activities:

Electric	\$ 303,091
Sewer	575,948
Water	<u>309,949</u>

Total depreciation	<u>\$ 1,188,988</u>
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**D. Long-term Debt**

*General Obligation Bonds.* The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for the proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>
Paid with taxes				
Series 2012-A	2.00 - 2.30%	9/1/2024	\$ 825,000	\$ 190,000
Paid with utility revenues				
Series 2012-A	2.00 - 2.40%	9/1/2025	3,560,000	1,040,000
Series 2012-B	3.00%	1/5/2052	5,800,000	5,018,544
Series 2013-A	2.50%	2/27/2053	<u>3,360,000</u>	<u>2,924,502</u>
Total			<u>\$ 13,545,000</u>	<u>\$ 9,173,046</u>

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. Long-term Debt (Continued)

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

Year Ending December 31,	Governmental activities		Business-type activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 70,000	\$ 4,125	\$ 456,102	\$ 246,691	\$ 526,102	\$ 250,816
2023	70,000	2,690	465,631	236,114	535,631	238,804
2024	50,000	1,150	475,290	224,857	525,290	226,007
2025	-	-	315,079	213,052	315,079	213,052
2026	-	-	180,004	204,767	180,004	204,767
2027-2031	-	-	978,930	944,927	978,930	944,927
2032-2036	-	-	1,124,782	799,074	1,124,782	799,074
2037-2041	-	-	1,292,542	631,313	1,292,542	631,313
2042-2046	-	-	1,485,527	438,329	1,485,527	438,329
2047-2051	-	-	1,707,556	216,211	1,707,556	216,211
2052-2053	-	-	501,602	17,013	501,602	17,013
Total	<u>\$ 190,000</u>	<u>\$ 7,965</u>	<u>\$ 8,983,046</u>	<u>\$ 4,172,350</u>	<u>\$ 9,173,046</u>	<u>\$ 4,180,315</u>

*Changes in Long-term Liabilities.* During the year ended December 31, 2021, the following changes occurred in long-term liabilities:

	Balance January 1, 2021	Additions/ Adjustments	Retirements	Balance December 31, 2021
<u>Governmental activities</u>				
General obligation bonds	\$ 260,000	\$ -	\$ 70,000	\$ 190,000
Premium on general obligation bonds	6,528	-	1,632	4,896
Total general obligation bonds	<u>266,528</u>	<u>-</u>	<u>71,632</u>	<u>194,896</u>
Compensated absences	<u>238,012</u>	<u>1,047</u>	<u>-</u>	<u>239,059</u>
Total	<u>\$ 504,540</u>	<u>\$ 1,047</u>	<u>\$ 71,632</u>	<u>\$ 433,955</u>
<u>Business-type activities</u>				
General obligation bonds	\$ 9,429,743	\$ -	\$ 446,698	\$ 8,983,046
Premium on general obligation bonds	30,950	-	6,190	24,760
Total general obligation bonds	<u>9,460,693</u>	<u>-</u>	<u>452,888</u>	<u>9,007,806</u>
Compensated absences	<u>142,601</u>	<u>12,797</u>	<u>-</u>	<u>155,398</u>
Total	<u>\$ 9,603,294</u>	<u>\$ 12,797</u>	<u>\$ 452,888</u>	<u>\$ 9,163,204</u>



City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Long-term Debt (Continued)**

*Special Assessments.* As provided by Kansas statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the debt service fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the debt service fund. The special assessments receivable are not recorded as revenue when levied against the respective property owners as such amounts are not available to finance current year operations. The special assessment debt is a contingent liability of the City to the extent of property owner defaults which have historically been immaterial.

*Conduit Debt Obligations.* From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Kansas nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2021 there are two series of Industrial Revenue Bonds outstanding, with an aggregate original principal amount payable of \$150,000,000.

**IV. OTHER INFORMATION**

**A. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. No significant reductions in insurance coverage from that of the prior year have occurred. The City's insurance coverage does not cover the risk of loss to the electrical distribution system due to wind or ice storms. Settlements have not exceeded insurance coverage for each of the past three years.

**B. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

**C. Defined Benefit Pension Plan**

*Description of Pension Plan.* The City participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which includes:
  - ◆ State/School employees
  - ◆ Local employees

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**IV. OTHER INFORMATION (Continued)**

**C. Defined Benefit Pension Plan (Continued)**

- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City are included in the Local employees group.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at [www.kpers.org](http://www.kpers.org).

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

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

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

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

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

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

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

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

The actuarially determined employer contribution rates (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rates are as follows:

	Actuarial <u>Employer Rate</u>	Statutory Employer <u>Capped Rate</u>
Local government employees	8.87%	8.87%

Member contribution rates as a percentage of eligible compensation for the KPERS fiscal year 2021 are 6.00% for Local employees.

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

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of December 31, 2021, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended December 31, 2021.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2021, the City's proportion for the Local employees group was 0.102%, which was an increase of .001% from its proportion measured at June 30, 2020.

*Net Pension Liability.* As of December 31, 2021 and 2020, the City reported a liability of \$1,224,651 and \$1,749,136, respectively, for its total proportionate share of the net pension liability for the Local group.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021, using the following actuarial assumptions:

<u>Assumptions</u>	<u>Rate</u>
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases, including wage increases	3.50% to 12%, including price inflation
Long-term rate of return, net of investment expense, and including price inflation	7.25%

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

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

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of an actuarial experience study conducted for the period of January 1, 2016, through December 31, 2018. The experience study is dated January 7, 2020.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

<u>Asset</u>	<u>Long-Term Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50%	6.40%
Private Equity	8.00%	9.50%
Private Real Estate	11.00%	4.45%
Yield Driven	8.00%	4.70%
Real Return	11.00%	3.25%
Fixed Income	11.00%	1.55%
Short-term investments	4.00%	0.25%
	<u>100.00%</u>	

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The State, School and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for Police & Firemen, and Judges. Future employer contribution rates were also modeled for Police & Firemen and Judges, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

C. *Defined Benefit Pension Plan (Continued)*

*Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.* The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.50%) or 1-percentage point higher (8.50%) than the current rate:

<u>1% Decrease (6.25%)</u>	<u>Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
<u>\$2,014,432</u>	<u>\$1,224,651</u>	<u>\$562,320</u>

*Pension Expense.* For the year ended December 31, 2021, the City recognized Local pension expense of \$237,432, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* As of December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the Local group from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between actual and expected experience	\$ 48,340	\$ 11,089
Net differences between projected and actual earnings on investments	-	434,870
Changes in proportion	24,862	9,511
Changes in assumptions	241,074	-
Total	<u>\$ 314,276</u>	<u>\$ 455,470</u>

\$85,585 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Deferred [Inflows] Outflows Amount</u>
2022	\$ [14,649]
2023	[15,365]
2024	[22,062]
2025	[68,263]
2026	9,145
Total	<u>\$ [111,194]</u>

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

**IV. OTHER INFORMATION (Continued)**

**D. Interfund Transfers**

A reconciliation of transfers by fund type for 2021 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
General Fund	Equipment Reserve Fund	\$ 35,000	K.S.A. 12-1117
Electric Utility Fund	General Fund	95,000	K.S.A. 12-825d
Sewer Utility Fund	General Fund	5,000	K.S.A. 12-825d
Water Utility Fund	General Fund	25,000	K.S.A. 12-825d
Sewer Utility Fund	Infrastructure Fund	384,771	K.S.A. 12-825d
		<u>\$ 544,771</u>	

The City uses interfund transfers to share administrative costs between funds.

**E. Postemployment Healthcare Plan**

*Plan Description.* The City provides for a continuation of medical, prescription drug, hearing and vision insurance benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan.

*Funding Policy.* The contribution requirements of plan participants and the City are established and amended by the City. The required contribution is based on projected pay-as-you-go financing requirements. Plan participants contributed approximately 100% of the total premiums to the Plan, through their required contribution of \$743 per month for retiree-only coverage and \$2,346, per month, for retiree and dependent coverage.

As of December 31, 2021, the following employees were covered by the benefit terms.

Active employees	37
Retirees and covered spouses	<u>-</u>
Total	<u>37</u>

*Actuarial Assumptions.* The City's total OPEB liability of \$21,534 was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

E. Other Postemployment Healthcare Plan (Continued)

The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Valuation date	December 31, 2021
Actuarial cost method	Entry age, level percentage of pay
Discount rate	4.25%
Healthcare cost trend rates	Medical & Pharmacy: 5.75% for 2021, decreasing 0.25% per year to an ultimate rate of 4.25% for 2027 and later years
Retiree's share of benefit related costs	100% of premium equivalent rates

The discount rate was based on an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of Aa or higher.

Mortality rates were based on the PUB2010 General tables, headcount weighted, projected generationally with SSA Mortality Improvement Scale.

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance 1/1/2020	\$ 28,674
Service cost	1,392
Interest cost	601
Difference between expected and actual experience	(9,544)
Change in assumptions	411
Balance 12/31/2020	<u>\$ 21,534</u>

*Sensitivity of the City's OPEB Liability to Changes in the Discount Rates.* The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.00%) or one percentage point higher (3.00%) than the current discount rate:

	1% Decrease (.84%)	Discount Rate (1.84%)	1% Increase (2.84%)
Total OPEB Liability	<u>\$ 23,583</u>	<u>\$ 21,534</u>	<u>\$ 19,667</u>

The following presents the total OPEB liability of the City, calculated using the healthcare trend rate of 5.75% to an ultimate rate of 4.25%, as well as what each plan's total OPEB liability would be if it were calculated using trend rates for each year that are 1.00% lower or 1.00% higher than the current rates:

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

E. Other Postemployment Healthcare Plan (Continued)

	Healthcare Cost		
	1% Decrease (3.25%)	Trend Rates (4.25%)	1% Increase (5.25%)
Total OPEB Liability	\$ 19,102	\$ 21,534	\$ 24,443

*OPEB Expense.* For the year ended December 31, 2021, the City recognized \$699 in OPEB expense.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* As of December 31, 2021, the City reported deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ -	\$ [18,818]
Changes in assumptions	3,822	[863]
	<u>\$ 3,822</u>	<u>\$ [19,681]</u>

Amounts reported as deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended December 31,	Deferred [inflows] Amount
2022	\$ [1,294]
2023	[1,294]
2024	[1,294]
2025	[1,294]
2026	[1,294]
2027+	[9,389]
Total	<u>\$ [15,859]</u>

F. Other Postemployment Healthcare Plan (KPERS)

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



City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

F. Other Postemployment Healthcare Plan (KPERS) (Continued)

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

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65<sup>th</sup> birthday or retirement date, whichever occurs first.

If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

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

*Employees Covered by Benefit Terms.* As of June 30, 2021, the valuation date, the following employees were covered by the benefit terms:

Active employees	38
Disabled members	<u>-</u>
Total	<u>38</u>

*Total OPEB Liability.* The City's total KPERS OPEB liability of \$44,954 reported as of December 31, 2021, was measured as of June 30, 2021, and was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021, using the following actuarial assumptions:

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

F. Other Postemployment Healthcare Plan (KPERS) (Continued)

Valuation date	December 31, 2020
Actuarial cost method	Entry age normal
Inflation	2.75%
Salary increases	3.00%
Discount rate (based on 20 year municipal bond rate with an average rating of AA/Aa or better, obtained through the Bond Buyer General Obligation 20-Bond Municipal Index)	2.16%

The discount rate was based on the bond buyer general obligation 20-bond municipal index.

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of an actuarial experience study for the period of January 1, 2016 through December 31, 2018. Other demographic assumptions are set to be consistent with the actuarial assumptions reflected in the December 31, 2020, KPERS pension valuation.

The changes in the total KPERS OPEB liability are as follows:

	Total KPERS OPEB Liability
Balance 1/1/2021	\$ 48,013
Service cost	7,562
Interest	1,228
Difference between expected and actual experience	[11,929]
Changes in assumptions	80
Balance 12/31/2021	<u>\$ 44,954</u>

*Sensitivity of the total KPERS OPEB liability to changes in the discount rate.* The following presented the total KPERS OPEB liability of the City, as well as what the City's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	<u>\$ 46,480</u>	<u>\$ 44,954</u>	<u>\$ 43,203</u>

City of Burlington, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

IV. OTHER INFORMATION (Continued)

F. Other Postemployment Healthcare Plan (KPERS) (Continued)

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

	Healthcare Cost		
	<u>1% Decrease</u>	<u>Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 44,954	\$ 44,954	\$ 44,954

*OPEB Expense.* For the year ended December 31, 2021, the City recognized OPEB expense of \$5,336.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* As of December 31, 2021, the City reported deferred inflows related to KPERS other postemployment benefits from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ [27,825]
Changes of assumptions	3,635	[964]
Total	\$ 3,635	\$ [28,789]

\$0 reported as deferred outflows of resources related to postemployment benefits resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>Deferred [inflows] Amounts</u>
2022	\$ [3,454]
2023	[3,454]
2024	[3,454]
2025	[3,454]
2026	[3,410]
Thereafter	[7,928]
Total	\$ [25,154]

City of Burlington, Kansas

REQUIRED SUPPLEMENTARY INFORMATION

Year ended December 31, 2021

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Schedule of Changes in the City's Total OPEB Liability and Related Ratios  
Last Ten Fiscal Years\*

Total OPEB liability	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service cost	\$ 1,392	\$ 1,351	\$ 1,054	\$ 2,037	\$ 1,978
Interest cost	601	714	1,249	1,084	984
Change in assumptions	411	1,980	2,156	[1,211]	-
Difference between expected & actual experience	-	-	[12,446]	-	-
Net change in total OPEB liability	2,404	4,045	[7,987]	1,910	2,962
Total OPEB liability - beginning	28,674	24,629	32,616	30,706	27,744
Total OPEB liability - ending	<u>\$ 31,078</u>	<u>\$ 28,674</u>	<u>\$ 24,629</u>	<u>\$ 32,616</u>	<u>\$ 30,706</u>
Covered-employee payroll	<u>\$ 1,932,555</u>	<u>\$ 1,997,947</u>	<u>\$ 2,272,519</u>	<u>\$ 1,991,722</u>	<u>\$ 1,933,711</u>
Total net OPEB liability as a percentage of covered-employee payroll	1.61%	1.44%	1.08%	1.64%	1.59%
Actuarially determined contribution	<u>\$ 1,859</u>	<u>\$ 2,650</u>	<u>\$ 2,573</u>	<u>\$ 3,827</u>	<u>\$ 3,716</u>
Actual contribution	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%

\* - Data became available with the inception of GASB 75 during fiscal year 2017, therefore, 10 years of data is unavailable.

City of Burlington, Kansas

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

Year ended December 31, 2021

OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS - KPERS

Schedule of Changes in the City's Total OPEB Liability and Related Ratios  
Last Ten Fiscal Years\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total KPERS OPEB liability				
Service cost	\$ 7,562	\$ 6,519	\$ 6,254	\$ 6,218
Interest	1,228	1,738	1,928	1,812
Difference between expected & actual experience	[11,929]	[7,245]	[9,311]	[8,283]
Changes in assumptions	<u>80</u>	<u>3,845</u>	<u>715</u>	<u>[556]</u>
Net change in total OPEB liability	[3,059]	4,857	[414]	[809]
Total OPEB liability - beginning	<u>48,013</u>	<u>43,156</u>	<u>43,570</u>	<u>44,379</u>
Total OPEB liability - ending	<u>\$ 44,954</u>	<u>\$ 48,013</u>	<u>\$ 43,156</u>	<u>\$ 43,570</u>
Covered payroll	<u>\$ 1,841,437</u>	<u>\$ 1,821,559</u>	<u>\$ 1,773,598</u>	<u>\$ 1,783,929</u>
Total OPEB liability as a percentage of covered payroll	2.44%	2.64%	2.43%	2.44%
Actuarially determined contribution	<u>\$ 20,431</u>	<u>\$ 20,431</u>	<u>\$ 18,504</u>	<u>\$ 13,910</u>
Actual contribution	<u>\$ 20,431</u>	<u>\$ 20,431</u>	<u>\$ 18,504</u>	<u>\$ 13,910</u>
Contributions as a percentage of covered payroll	1.11%	1.12%	1.04%	0.78%

\* - Data became available with the inception of GASB 75 during fiscal year 2018, therefore, 10 years of data is unavailable.

City of Burlington, Kansas

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

Year ended December 31, 2021

KPERS PENSION PLAN

Schedule of the City's Proportionate Share of the Net Pension Liability  
Last Ten Fiscal Years\*

	<u>12/31/21</u>	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>
City's proportion of the net pension liability	0.102%	0.100%	0.100%	0.101%	0.103%	0.098%	0.099%
City's proportionate share of the net pension liability	\$ 1,224,651	\$ 1,749,136	\$ 1,398,462	\$ 1,404,663	\$ 1,484,913	\$ 1,517,806	\$ 1,301,332
City's covered-employee payroll	\$ 1,974,288	\$ 1,867,586	\$ 1,839,762	\$ 1,785,078	\$ 1,716,455	\$ 1,717,854	\$ 1,657,001
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	62.03%	93.66%	76.01%	78.69%	86.51%	88.35%	78.54%
Plan fiduciary net position as a percentage of the total pension liability	81.14%	70.77%	75.02%	74.22%	72.15%	68.55%	71.98%

\* - The amounts presented for each fiscal year were determined as of 12/31. Data became available with the inception of GASB 68 during fiscal year 2015, therefore, 10 years of data is unavailable.

Schedule of the City's Contributions  
Last Ten Fiscal Years\*

	<u>12/31/21</u>	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>
Contractually required contribution	\$ 170,260	\$ 169,986	\$ 166,029	\$ 154,356	\$ 151,018	\$ 157,571	\$ 162,852
Contributions in relation to the contractually required contribution	<u>170,260</u>	<u>169,986</u>	<u>166,029</u>	<u>154,356</u>	<u>151,018</u>	<u>157,571</u>	<u>162,852</u>
Contribution deficiency [excess]	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 1,919,502	\$ 1,974,288	\$ 1,867,586	\$ 1,839,762	\$ 1,785,078	\$ 1,716,455	\$ 1,717,854
Contributions as a percentage of covered-employee payroll	8.87%	8.61%	8.89%	8.39%	8.46%	9.18%	9.48%

\* - Data became available with the inception of GASB 68 during fiscal year 2015, therefore, 10 years of data is unavailable.

City of Burlington, Kansas

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
December 31, 2021

	Total Nonmajor Special Revenue <u>Funds</u>	Total Nonmajor Permanent <u>Funds</u>	Total Nonmajor Governmental <u>Funds</u>
ASSETS			
Cash and cash equivalents	\$ 2,087,068	\$ 249,059	\$ 2,336,127
Receivables			
Taxes	42,939	-	42,939
Notes	-	15,768	15,768
Prepaid expenses	<u>2,640</u>	<u>-</u>	<u>2,640</u>
Total assets	<u>\$ 2,132,647</u>	<u>\$ 264,827</u>	<u>\$ 2,397,474</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 7,459	\$ -	\$ 7,459
Unearned revenue	<u>194,043</u>	<u>-</u>	<u>194,043</u>
Total liabilities	<u>201,502</u>	<u>-</u>	<u>201,502</u>
Deferred inflows of resources:			
Unavailable revenue - property taxes	<u>29,973</u>	<u>-</u>	<u>29,973</u>
Total deferred inflows of resources	<u>29,973</u>	<u>-</u>	<u>29,973</u>
Total liabilities and deferred inflows of resources	<u>231,475</u>	<u>-</u>	<u>231,475</u>
Fund balance:			
Restricted	900,864	13,720	914,584
Committed	<u>1,000,308</u>	<u>251,107</u>	<u>1,251,415</u>
Total fund balance [deficit]	<u>1,901,172</u>	<u>264,827</u>	<u>2,165,999</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,132,647</u>	<u>\$ 264,827</u>	<u>\$ 2,397,474</u>

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Permanent Funds	Total Nonmajor Governmental Funds
Revenues			
Property tax	\$ 28,338	\$ -	\$ 28,338
Sales tax	293,794	-	293,794
Intergovernmental	395,285	-	395,285
Charges for services	158,017	-	158,017
Fines and fees	2,600	-	2,600
Reimbursements	13,266	-	13,266
Special assessments	1,222	-	1,222
Use of money and property	443	841	1,284
Total revenues	<u>892,965</u>	<u>841</u>	<u>893,806</u>
Expenditures			
Current			
General government	220,394	-	220,394
Highways and streets	266,534	-	266,534
Culture and recreation	14,867	-	14,867
Economic development	443	-	443
Capital outlay	201,446	-	201,446
Debt service			
Principal	7,049	-	7,049
Total expenditures	<u>710,733</u>	<u>-</u>	<u>710,733</u>
Excess [deficiency] of revenues over [under] expenditures	<u>182,232</u>	<u>841</u>	<u>183,073</u>
Other financing sources [uses]			
Transfers in	35,000	-	35,000
Total other financing sources [uses]	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Net change in fund balance	217,232	841	218,073
Fund balance, beginning of year	<u>1,683,940</u>	<u>263,986</u>	<u>1,947,926</u>
Fund balance, end of year	<u>\$ 1,901,172</u>	<u>\$ 264,827</u>	<u>\$ 2,165,999</u>

See independent auditor's report on the financial statements.



City of Burlington, Kansas

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
December 31, 2021

ASSETS	<u>Cemetery</u>	<u>Industrial Development</u>	<u>Equipment Reserve</u>	<u>Special Improvement</u>	<u>Drug Forfeiture</u>	<u>Special Liability Expense</u>
Cash and cash equivalents	\$ 215	\$ 20,836	\$ 239,021	\$ 16,819	\$ 1,101	\$ 1,468
Receivables (net of allowance for uncollectibles)	21,327	-	-	-	-	8,646
Prepaid expenses	-	-	-	-	-	2,640
Total assets	<u>\$ 21,542</u>	<u>\$ 20,836</u>	<u>\$ 239,021</u>	<u>\$ 16,819</u>	<u>\$ 1,101</u>	<u>\$ 12,754</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ 34	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	-	34	-	-
Deferred inflows of resources:						
Unavailable revenue - property taxes	21,327	-	-	-	-	8,646
Total deferred inflows of resources	21,327	-	-	-	-	8,646
Total liabilities and deferred inflows of resources	21,327	-	-	34	-	8,646
Fund balances						
Restricted	215	20,836	-	-	-	4,108
Committed	-	-	239,021	16,785	1,101	-
Total fund balances	215	20,836	239,021	16,785	1,101	4,108
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,542</u>	<u>\$ 20,836</u>	<u>\$ 239,021</u>	<u>\$ 16,819</u>	<u>\$ 1,101</u>	<u>\$ 12,754</u>

<u>Special Highway</u>	<u>Special Parks and Recreation</u>	<u>Community Improvement</u>	<u>County/ City Street Project</u>	<u>County/ City Park Project</u>	<u>Refuse</u>	<u>Court Diversion</u>	<u>ARPA</u>	<u>Totals</u>
\$ 849,529	\$ 26,647	\$ 712	\$ 387,887	\$ 292,532	\$ 44,951	\$ 11,307	\$ 194,043	\$ 2,087,068
-	-	-	-	-	12,966	-	-	42,939
-	-	-	-	-	-	-	-	2,640
<u>\$ 849,529</u>	<u>\$ 26,647</u>	<u>\$ 712</u>	<u>\$ 387,887</u>	<u>\$ 292,532</u>	<u>\$ 57,917</u>	<u>\$ 11,307</u>	<u>\$ 194,043</u>	<u>\$ 2,132,647</u>
\$ 471	\$ -	\$ -	\$ 765	\$ 189	\$ -	\$ 6,000	\$ -	\$ 7,459
-	-	-	-	-	-	-	194,043	194,043
<u>471</u>	<u>-</u>	<u>-</u>	<u>765</u>	<u>189</u>	<u>-</u>	<u>6,000</u>	<u>194,043</u>	<u>201,502</u>
-	-	-	-	-	-	-	-	29,973
-	-	-	-	-	-	-	-	29,973
<u>471</u>	<u>-</u>	<u>-</u>	<u>765</u>	<u>189</u>	<u>-</u>	<u>6,000</u>	<u>194,043</u>	<u>231,475</u>
849,058	26,647	-	-	-	-	-	-	900,864
-	-	712	387,122	292,343	57,917	5,307	-	1,000,308
<u>849,058</u>	<u>26,647</u>	<u>712</u>	<u>387,122</u>	<u>292,343</u>	<u>57,917</u>	<u>5,307</u>	<u>-</u>	<u>1,901,172</u>
<u>\$ 849,529</u>	<u>\$ 26,647</u>	<u>\$ 712</u>	<u>\$ 387,887</u>	<u>\$ 292,532</u>	<u>\$ 57,917</u>	<u>\$ 11,307</u>	<u>\$ 194,043</u>	<u>\$ 2,132,647</u>

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
For the Year Ended December 31, 2021

	<u>Cemetery</u>	<u>Industrial Development</u>	<u>Equipment Reserve</u>	<u>Special Improvement</u>	<u>Drug Forfeiture</u>	<u>Special Liability Expense</u>
Revenues						
Property tax	\$ 24,556	\$ -	\$ -	\$ -	\$ -	\$ 3,782
Sales tax	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and fees	-	-	-	-	-	-
Reimbursements	-	-	-	13,266	-	-
Use of money and property	-	443	-	-	-	-
Special assessments	-	-	-	-	-	-
Total revenues	<u>24,556</u>	<u>443</u>	<u>-</u>	<u>13,266</u>	<u>-</u>	<u>3,782</u>
Expenditures						
General government	24,341	-	-	-	-	7,028
Highways and streets	-	-	-	1,275	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	19,479	-	-	-
Economic development	-	443	-	-	-	-
Debt service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Total expenditures	<u>24,341</u>	<u>443</u>	<u>19,479</u>	<u>1,275</u>	<u>-</u>	<u>7,028</u>
Excess [deficiency] of revenues over [under] expenditures	<u>215</u>	<u>-</u>	<u>[19,479]</u>	<u>11,991</u>	<u>-</u>	<u>[3,246]</u>
Other financing sources [uses]						
Transfers in	-	-	35,000	-	-	-
Total other financing sources [uses]	<u>-</u>	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	215	-	15,521	11,991	-	[3,246]
Fund balance, January 1	<u>-</u>	<u>20,836</u>	<u>223,500</u>	<u>4,794</u>	<u>1,101</u>	<u>7,354</u>
Fund balance, December 31	<u>\$ 215</u>	<u>\$ 20,836</u>	<u>\$ 239,021</u>	<u>\$ 16,785</u>	<u>\$ 1,101</u>	<u>\$ 4,108</u>

<u>Special Highway</u>	<u>Special Parks and Recreation</u>	<u>Community Improvement</u>	<u>County/ City Street Project</u>	<u>County/ City Park Project</u>	<u>Refuse</u>	<u>Court Diversion</u>	<u>ARPA</u>	<u>Totals</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,338
293,794	-	-	-	-	-	-	-	293,794
73,837	1,649	-	209,864	109,935	-	-	-	395,285
-	-	-	-	-	158,017	-	-	158,017
-	-	-	-	-	-	2,600	-	2,600
-	-	-	-	-	-	-	-	13,266
-	-	-	-	-	-	-	-	443
-	-	-	1,222	-	-	-	-	1,222
<u>367,631</u>	<u>1,649</u>	<u>-</u>	<u>211,086</u>	<u>109,935</u>	<u>158,017</u>	<u>2,600</u>	<u>-</u>	<u>892,965</u>
-	-	-	-	-	183,025	6,000	-	220,394
263,371	-	-	1,888	-	-	-	-	266,534
-	1,147	-	-	13,720	-	-	-	14,867
-	-	-	10,542	171,425	-	-	-	201,446
-	-	-	-	-	-	-	-	443
<u>7,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,049</u>
<u>270,420</u>	<u>1,147</u>	<u>-</u>	<u>12,430</u>	<u>185,145</u>	<u>183,025</u>	<u>6,000</u>	<u>-</u>	<u>710,733</u>
<u>97,211</u>	<u>502</u>	<u>-</u>	<u>198,656</u>	<u>[75,210]</u>	<u>[25,008]</u>	<u>[3,400]</u>	<u>-</u>	<u>182,232</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
97,211	502	-	198,656	[75,210]	[25,008]	[3,400]	-	217,232
<u>751,847</u>	<u>26,145</u>	<u>712</u>	<u>188,466</u>	<u>367,553</u>	<u>82,925</u>	<u>8,707</u>	<u>-</u>	<u>1,683,940</u>
<u>\$ 849,058</u>	<u>\$ 26,647</u>	<u>\$ 712</u>	<u>\$ 387,122</u>	<u>\$ 292,343</u>	<u>\$ 57,917</u>	<u>\$ 5,307</u>	<u>\$ -</u>	<u>\$ 1,901,172</u>

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING BALANCE SHEET  
NONMAJOR PERMANENT FUNDS  
December 31, 2021

ASSETS	Revolving Loan (CDBG)	Revolving Loan (Coffey County)	Special Cemetery Trust	Totals
Cash and cash equivalents	\$ 125,156	\$ 110,183	\$ 13,720	\$ 249,059
Note receivable	<u>11,823</u>	<u>3,945</u>	<u>-</u>	<u>15,768</u>
Total assets	<u>\$ 136,979</u>	<u>\$ 114,128</u>	<u>\$ 13,720</u>	<u>\$ 264,827</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Reserve				
Restricted	-	-	13,720	13,720
Committed	<u>136,979</u>	<u>114,128</u>	<u>-</u>	<u>251,107</u>
Total fund balances	<u>136,979</u>	<u>114,128</u>	<u>13,720</u>	<u>264,827</u>
Total liabilities and fund balances	<u>\$ 136,979</u>	<u>\$ 114,128</u>	<u>\$ 13,720</u>	<u>\$ 264,827</u>

See independent auditor's report on the financial statements.

City of Burlington, Kansas

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR PERMANENT FUNDS  
For the Year Ended December 31, 2021

	Revolving Loan (CDBG)	Revolving Loan (Coffey County)	Special Cemetery Trust	Totals
Revenues				
Use of money and property	\$ 47	\$ 794	\$ -	\$ 841
Total revenues	<u>47</u>	<u>794</u>	<u>-</u>	<u>841</u>
Expenditures				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>47</u>	<u>794</u>	<u>-</u>	<u>841</u>
Fund balance, January 1	136,932	113,334	13,720	263,986
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, January 1, restated	<u>136,932</u>	<u>113,334</u>	<u>13,720</u>	<u>263,986</u>
Fund balance, December 31	<u>\$ 136,979</u>	<u>\$ 114,128</u>	<u>\$ 13,720</u>	<u>\$ 264,827</u>

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City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
CEMETERY FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Property tax	\$ 24,556	\$ -	\$ 24,556	\$ 24,978	\$ 24,978	\$ [422]
Total revenues	<u>24,556</u>	<u>-</u>	<u>24,556</u>	<u>24,978</u>	<u>24,978</u>	<u>[422]</u>
Expenditures						
General government Appropriation	<u>24,341</u>	<u>-</u>	<u>24,341</u>	<u>24,978</u>	<u>24,978</u>	<u>637</u>
Total expenditures	<u>24,341</u>	<u>-</u>	<u>24,341</u>	<u>24,978</u>	<u>24,978</u>	<u>637</u>
Excess [deficiency] of revenues over [under] expenditures	215	-	215	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215</u>
Fund balance, January 1	<u>-</u>	<u>-</u>	<u>-</u>			
Fund balance, December 31	<u>\$ 215</u>	<u>\$ -</u>	<u>\$ 215</u>			

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City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
INDUSTRIAL DEVELOPMENT FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Use of money and property	\$ 443	\$ -	\$ 443	\$ 1,943	\$ 1,943	\$ [1,500]
Total revenues	<u>443</u>	<u>-</u>	<u>443</u>	<u>1,943</u>	<u>1,943</u>	<u>[1,500]</u>
Expenditures						
Economic development						
Contractual services	<u>443</u>	<u>-</u>	<u>443</u>	<u>23,243</u>	<u>23,243</u>	<u>22,800</u>
Total expenditures	<u>443</u>	<u>-</u>	<u>443</u>	<u>23,243</u>	<u>23,243</u>	<u>22,800</u>
Excess [deficiency] of revenues over [under] expenditures	-	-	-	\$ <u>[21,300]</u>	\$ <u>[21,300]</u>	\$ <u>21,300</u>
Fund balance, January 1	<u>20,836</u>	<u>-</u>	<u>20,836</u>			
Fund balance, December 31	<u>\$ 20,836</u>	<u>\$ -</u>	<u>\$ 20,836</u>			

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City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
EQUIPMENT RESERVE FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-	-	-
Expenditures						
General government						
Capital outlay	19,479	-	19,479	258,500	258,500	239,021
Total expenditures	19,479	-	19,479	258,500	258,500	239,021
Excess [deficiency] of revenues over [under] expenditures	[19,479]	-	[19,479]	[258,500]	[258,500]	239,021
Other financing sources [uses]						
Transfers in	35,000	-	35,000	35,000	35,000	-
Total other financing sources [uses]	35,000	-	35,000	35,000	35,000	-
Excess [deficiency] of revenues and other sources over [under] expenditures and other [uses]	15,521	-	15,521	\$ [223,500]	\$ [223,500]	\$ 239,021
Fund balance, January 1	223,500	-	223,500			
Fund balance, December 31	\$ 239,021	\$ -	\$ 239,021			

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City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL IMPROVEMENT FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Reimbursements	\$ 13,266	\$ -	\$ 13,266	\$ -	\$ -	\$ 13,266
Total revenues	<u>13,266</u>	<u>-</u>	<u>13,266</u>	<u>-</u>	<u>-</u>	<u>13,266</u>
Expenditures						
Highways and streets						
Contractual services	<u>1,275</u>	<u>-</u>	<u>1,275</u>	<u>4,794</u>	<u>4,794</u>	<u>3,519</u>
Total expenditures	<u>1,275</u>	<u>-</u>	<u>1,275</u>	<u>4,794</u>	<u>4,794</u>	<u>3,519</u>
Excess [deficiency] of revenues over [under] expenditures	11,991	-	11,991	<u>\$ [4,794]</u>	<u>\$ [4,794]</u>	<u>\$ 16,785</u>
Fund balance, January 1	<u>4,794</u>	<u>-</u>	<u>4,794</u>			
Fund balance, December 31	<u>\$ 16,785</u>	<u>\$ -</u>	<u>\$ 16,785</u>			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL LIABILITY EXPENSE FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Property tax	\$ 3,782	\$ -	\$ 3,782	\$ 4,901	\$ 4,901	\$ [1,119]
Total revenues	<u>3,782</u>	<u>-</u>	<u>3,782</u>	<u>4,901</u>	<u>4,901</u>	<u>[1,119]</u>
Expenditures						
General government						
Contractual services	<u>7,028</u>	<u>-</u>	<u>7,028</u>	<u>18,000</u>	<u>18,000</u>	<u>10,972</u>
Total expenditures	<u>7,028</u>	<u>-</u>	<u>7,028</u>	<u>18,000</u>	<u>18,000</u>	<u>10,972</u>
Excess [deficiency] of revenues over [under] expenditures	[3,246]	-	[3,246]	<u>\$ [13,099]</u>	<u>\$ [13,099]</u>	<u>\$ 9,853</u>
Fund balance, January 1	<u>7,354</u>	<u>-</u>	<u>7,354</u>			
Fund balance, December 31	<u>\$ 4,108</u>	<u>\$ -</u>	<u>\$ 4,108</u>			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL HIGHWAY FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Sales tax	\$ 293,794	\$ -	\$ 293,794	\$ 262,500	\$ 262,500	\$ 31,294
Intergovernmental	<u>73,837</u>	<u>-</u>	<u>73,837</u>	<u>57,700</u>	<u>57,700</u>	<u>16,137</u>
Total revenues	<u>367,631</u>	<u>-</u>	<u>367,631</u>	<u>320,200</u>	<u>320,200</u>	<u>47,431</u>
Expenditures						
Highways and streets						
Contractual services	263,371	-	263,371	986,307	986,307	722,936
Debt service						
Principal	<u>7,049</u>	<u>-</u>	<u>7,049</u>	<u>-</u>	<u>-</u>	<u>[7,049]</u>
Total expenditures	<u>270,420</u>	<u>-</u>	<u>270,420</u>	<u>986,307</u>	<u>986,307</u>	<u>715,887</u>
Excess [deficiency] of revenues over [under] expenditures	97,211	-	97,211	<u>\$ [666,107]</u>	<u>\$ [666,107]</u>	<u>\$ 763,318</u>
Fund balance, January 1	<u>751,847</u>	<u>-</u>	<u>751,847</u>			
Fund balance, December 31	<u>\$ 849,058</u>	<u>\$ -</u>	<u>\$ 849,058</u>			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
SPECIAL PARKS AND RECREATION FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 1,649	\$ -	\$ 1,649	\$ 916	\$ 916	\$ 733
Total revenues	<u>1,649</u>	<u>-</u>	<u>1,649</u>	<u>916</u>	<u>916</u>	<u>733</u>
Expenditures						
Culture and recreation						
Contractual services	<u>1,147</u>	<u>-</u>	<u>1,147</u>	<u>26,828</u>	<u>26,828</u>	<u>25,681</u>
Total expenditures	<u>1,147</u>	<u>-</u>	<u>1,147</u>	<u>26,828</u>	<u>26,828</u>	<u>25,681</u>
Excess [deficiency] of revenues over [under] expenditures	502	-	502	<u>\$ [25,912]</u>	<u>\$ [25,912]</u>	<u>\$ 26,414</u>
Fund balance, January 1	<u>26,145</u>	<u>-</u>	<u>26,145</u>			
Fund balance, December 31	<u>\$ 26,647</u>	<u>\$ -</u>	<u>\$ 26,647</u>			

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City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
COMMUNITY IMPROVEMENT FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Special assessments	\$ -	\$ -	\$ -	\$ 100	\$ 100	\$ [100]
Total revenues	-	-	-	100	100	[100]
Expenditures						
General government						
Contractual services	-	-	-	811	811	811
Total expenditures	-	-	-	811	811	811
Excess [deficiency] of revenues over [under] expenditures	-	-	-	\$ [711]	\$ [711]	\$ 711
Fund balance, January 1	712	-	712			
Fund balance, December 31	\$ 712	\$ -	\$ 712			

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City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
COUNTY/CITY STREET PROJECT FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 209,864	-	\$ 209,864	\$ 209,864	\$ 209,864	\$ -
Special assessments	<u>1,222</u>	<u>-</u>	<u>1,222</u>	<u>1,222</u>	<u>1,222</u>	<u>-</u>
Total revenues	<u>211,086</u>	<u>-</u>	<u>211,086</u>	<u>211,086</u>	<u>211,086</u>	<u>-</u>
Expenditures						
Highways and streets						
Contractual services	1,888	-	1,888	298,796	298,796	296,908
Capital outlay	<u>10,542</u>	<u>-</u>	<u>10,542</u>	<u>74,500</u>	<u>74,500</u>	<u>63,958</u>
Total expenditures	<u>12,430</u>	<u>-</u>	<u>12,430</u>	<u>373,296</u>	<u>373,296</u>	<u>360,866</u>
Excess [deficiency] of revenues over [under] expenditures	198,656	-	198,656	<u>\$ [162,210]</u>	<u>\$ [162,210]</u>	<u>\$ 360,866</u>
Fund balance, January 1	<u>188,466</u>	<u>-</u>	<u>188,466</u>			
Fund balance, December 31	<u>\$ 387,122</u>	<u>\$ -</u>	<u>\$ 387,122</u>			

See independent auditor's report on the financial statements.

City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
COUNTY/CITY PARK PROJECT FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Intergovernmental	\$ 109,935	\$ -	\$ 109,935	\$ 109,935	\$ 109,935	\$ -
Total revenues	<u>109,935</u>	<u>-</u>	<u>109,935</u>	<u>109,935</u>	<u>109,935</u>	<u>-</u>
Expenditures						
Culture and Recreation						
Contractual services	-	-	-	50,000	50,000	50,000
Commodities	13,720	-	13,720	20,000	20,000	6,280
Capital outlay	<u>171,425</u>	<u>-</u>	<u>171,425</u>	<u>403,557</u>	<u>403,557</u>	<u>232,132</u>
Total expenditures	<u>185,145</u>	<u>-</u>	<u>185,145</u>	<u>473,557</u>	<u>473,557</u>	<u>288,412</u>
Excess [deficiency] of revenues over [under] expenditures	[75,210]	-	[75,210]	<u>\$ [363,622]</u>	<u>\$ [363,622]</u>	<u>\$ 288,412</u>
Fund balance, January 1	<u>367,553</u>	<u>-</u>	<u>367,553</u>			
Fund balance, December 31	<u>\$ 292,343</u>	<u>\$ -</u>	<u>\$ 292,343</u>			

See independent auditor's report on the financial statements.



City of Burlington, Kansas

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - ACTUAL AND BUDGET  
BOND AND INTEREST FUND  
For the Year Ended December 31, 2021

	GAAP Basis	Adjustments to Budgetary Basis	Budgetary Basis	Budgeted Amounts		Variance with Final Budget Positive [Negative]
				Original	Final	
Revenues						
Property tax	\$ 63,366	\$ -	\$ 63,366	\$ 65,760	\$ 65,760	\$ [2,394]
Special assessments	<u>11,439</u>	<u>-</u>	<u>11,439</u>	<u>11,954</u>	<u>11,954</u>	<u>[515]</u>
Total revenues	<u>74,805</u>	<u>-</u>	<u>74,805</u>	<u>77,714</u>	<u>77,714</u>	<u>[2,909]</u>
Expenditures						
Debt service						
Principal	62,951	-	62,951	70,000	70,000	7,049
Interest and other charges	5,525	-	5,525	5,525	5,525	-
Cash basis reserve	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Total expenditures	<u>68,476</u>	<u>-</u>	<u>68,476</u>	<u>80,525</u>	<u>80,525</u>	<u>12,049</u>
Excess [deficiency] of revenues over [under] expenditures	6,329	-	6,329	<u>\$ [2,811]</u>	<u>\$ [2,811]</u>	<u>\$ 9,140</u>
Fund balance, January 1	<u>1,468</u>	<u>-</u>	<u>1,468</u>			
Fund balance, December 31	<u>\$ 7,797</u>	<u>\$ -</u>	<u>\$ 7,797</u>			

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