

City of Wamego, Kansas

**Financial Statement
As of December 31, 2021
and For the Year Then Ended**

With Report by Independent Auditor



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INDEPENDENT AUDITOR'S REPORT

To the City Manager and City Commission of the
City of Wamego, Kansas

Adverse and Unmodified Opinions

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Wamego, Kansas (the City), as of and for the year ended December 31, 2021 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In my opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of my report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In my opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, I:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

ShIPLEY CPA, LLC

ShIPLEY CPA, LLC
Topeka, Kansas
July 19, 2022

Statement 1

City of Wamego, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances And Accounts Payable	Ending Cash Balance
General Funds:							
General Fund	\$ 745,102	\$ -	\$ 4,311,104	\$ 4,322,751	\$ 733,455	\$ 49,502	\$ 782,957
Special Purpose Funds:							
Library Fund	5,638	-	257,431	252,000	11,069	-	11,069
Library Employee Benefits Fund	799	-	36,986	36,280	1,505	-	1,505
Special Liability Fund	4,990	-	25	3,160	1,855	-	1,855
Special Parks and Recreation Fund	157,817	-	15,994	-	173,811	-	173,811
Special Highway Fund	53,627	-	146,787	143,433	56,981	3,785	60,766
Convention/Visitors Bureau Fund	-	-	54,461	54,461	-	-	-
Capital Improvement Reserve Fund	1,949,105	-	597,416	462,413	2,084,108	19,343	2,103,451
Equipment Reserve Fund	634,657	-	39,808	-	674,465	-	674,465
Law Enforcement Trust Fund	201	-	2	-	203	-	203
Fire Reserve Fund	200,368	-	11,519	16,981	194,906	-	194,906
Cemetery Lot Reserve Fund	46,062	-	2,770	-	48,832	-	48,832
Special Highway Reserve Fund	485,067	-	7,157	-	492,224	-	492,224
Alcohol and Drug Safety Fund	4,244	-	-	4,244	-	-	-
Restricted Reserve Fund	769,096	-	5,834	-	774,930	-	774,930
Police Rewards Fund	423	-	3	-	426	-	426
Permanent Maintenance Fund	77,644	-	7,655	-	85,299	-	85,299
COVID Fund	76	-	370,517	8,443	362,150	-	362,150
Bond and Interest Funds:							
Bond and Interest Fund	57,291	-	4,229,789	4,128,623	158,457	-	158,457
Capital Project Funds:							
Prairie Ridge #2	8,583	-	105,235	104,430	9,388	-	9,388
Industrial Commerce Route Fund	(441,127)	-	1,952,146	2,691,507	(1,180,488)	405,378	(775,110)
Valley Sewer Project Fund	16,735	-	128	-	16,863	-	16,863
ADIS Fund	-	-	4,276	-	4,276	-	4,276
Blower Replacement Fund	-	-	-	65,975	(65,975)	2,305	(63,670)
Street Improvements Fund	-	-	7,656,686	434,909	7,221,777	-	7,221,777
Library Project Fund	-	-	2,164,794	90,607	2,074,187	10,650	2,084,837
Water Line Project Fund	-	-	-	40,874	(40,874)	-	(40,874)
Highway 24 Turn Lane Fund	20,161	-	50,008	75,889	(5,720)	-	(5,720)
Shop Expansion Fund	-	-	-	34,139	(34,139)	-	(34,139)

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

Statement 1

City of Wamego, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances And Accounts Payable	Ending Cash Balance
Business Funds:							
Water Utility Fund	\$ 143,317	\$ -	\$ 744,935	\$ 754,567	\$ 133,685	\$ 1,558	\$ 135,243
Wastewater Utility Fund	111,186	-	745,291	829,059	27,418	39,572	66,990
Electric Utility Fund	273,550	-	5,813,838	5,607,062	480,326	58,932	539,258
Storm Water Utility Fund	162,351	-	81,786	80,000	164,137	-	164,137
Water Reserve Fund	417,639	-	178,059	10,672	585,026	9,672	594,698
Wastewater Reserve Fund	442,874	-	103,275	10,672	535,477	9,672	545,149
Electric Reserve Fund	3,541,708	-	25,917	592,467	2,975,158	-	2,975,158
Storm Water Reserve Fund	-	-	80,000	-	80,000	-	80,000
Related Municipal Entities:							
Wamego Public Library Fund	1,047,818	-	866,687	956,984	957,521	6,826	964,347
Wamego City Hospital Fund	2,814,404	-	931,878	425,641	3,320,641	-	3,320,641
Total Financial Reporting Entity (Excluding Agency Funds)	<u>\$ 13,751,406</u>	<u>\$ -</u>	<u>\$ 31,600,197</u>	<u>\$ 22,238,243</u>	<u>\$ 23,113,360</u>	<u>\$ 617,195</u>	<u>\$ 23,730,555</u>
Composition of Cash:							
Checking accounts							\$ 4,101,768
Savings accounts							7,770
Certificates of deposit							1,218,341
Money market							17,961,246
Investments							447,270
Petty cash							70
Total Primary Government							<u>23,736,465</u>
Less: Agency Funds per Schedule 3							<u>(5,910)</u>
Total Reporting Entity (Excluding Agency Funds)							<u>\$ 23,730,555</u>

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

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Wamego, Kansas (the City), is a municipal corporation governed by an elected five-member commission-manager form of government. This financial statement presents the City and its related municipal entities. The related municipal entities are included in the City's reporting entity because they were established to benefit the City and/or its constituents.

Wamego Public Library

The Wamego Public Library (the WPL), is organized under K.S.A. 12-1218. The City levies a property tax for the WPL under K.S.A 79-1952, which is deposited in the City's Library Fund and transferred to the WPL for its operations.

Wamego City Hospital

The Wamego City Hospital (the WCH), is organized under K.S.A 12-1615. In 2002, the WCH entered into an agreement with the Wamego Hospital Association to operate its 26-bed acute care facility. In 1993, the City levied a sales tax to provide funds for the WCH.

Separate financial statements of the individual related municipal entities may be obtained from their respective administrative offices.

Regulatory Basis Fund Types

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

The following types of funds were utilized in recording the financial activities of the City for the year 2021:

General fund – The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – Used to account for the proceeds of specific tax levies and other specific regulatory receipt sources that are intended for specified purposes.

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

Capital Project funds – Used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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

Agency funds – Used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, tax collection accounts, etc.).

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Accounting

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

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

Reimbursed Expenses

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

Note 2 – Budgetary Information

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

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

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There were no such amendments to the 2021 budget.

City of Wamego, Kansas

Notes to the Financial Statement
December 31, 2021

Note 2 – Budgetary Information (continued)

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

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

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

Special Purpose Funds: Capital Improvement Fund, Equipment Reserve Fund, Law Enforcement Trust Fund, Fire Reserve Fund, Cemetery Lot Reserve Fund, Special Highway Reserve Fund, Cemetery Permanent Maintenance Fund, Alcohol and Drug Safety Fund, Permanent Maintenance Fund, Police Special Donations Fund, Police Rewards Fund, COVID Fund and Restricted Reserve Fund.

Business Funds: Water Reserve Fund, Wastewater Reserve Fund, and Electric Reserve Fund.

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

Note 3 – Deposits and Investments

The WCH also has various investments. These investments are included in the City's financial statement and composition of cash as presented in Statement 1, at cost.

At December 31, 2021, the City had had the following investments:

Investment Type	Cost	Fair Value	Maturities in Years	Rating	Percentage of Investment
Cash	\$ 149,938	\$ 149,938	N/A	N/A	56%
Investment Pool	197,332	198,801	N/A	N/A	7%
Annuity	100,000	129,601	9/30/2022	N/A	37%
	<u>\$ 447,270</u>	<u>\$ 478,340</u>			

The WCH has set up a designated fund through which third party donors can contribute to for the benefit of the WCH. The designated fund had a cost and fair market value of \$77,197 and \$78,422, respectively, at December 31, 2021. All contributions by outside donors into this designated fund will not be recognized until requested and subsequently received by the WCH.

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 3 – Deposits and Investments (continued)

The WPL has set up a designated funds through which third party donors can contribute to for the benefit of the WPL. The designated fund had a cost and fair market value of \$23,897 and \$23,808, respectively, at December 31, 2021. All contributions by outside donors into this designated fund will not be recognized until requested and subsequently received by the WPL.

The City has set up a designated funds through which third party donors can contribute to for the benefit of the City. The designated fund had a cost and fair market value of \$146,315 and \$148,690, respectively, at December 31, 2021. All contributions by outside donors into this designated fund will not be recognized until requested and subsequently received by the City.

K.S.A. 12-1225 governs the investing of private gift money given to the WPL. K.S.A. 12-1675 authorizes the WPL to invest public funds in U.S. Treasury bills and notes, repurchase agreements, the State Municipal Investment Pool, and others. K.S.A. 12-1 225 authorizes the Library Board to invest private gift monies in the manner to best serve the interests of the WPL. Investments relating to private gift money consist of U.S. Treasury obligations, federal agency obligations, common stocks, various other bond instruments, and others. Investments are reported at cost on the books of the WPL. The fair value of these investments are reflected above.

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402(d)(1) requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

Concentration of credit risk – investments. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. As described above the WPL, under K.S.A. 12-1225, is authorized to invest private gift monies as approved by the Library Board.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City did not have a peak period pledge agreement during 2021, and therefore the City did not designate peak periods.

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 3 – Deposits and Investments (continued)

At December 31, 2021, the carrying amount of the City's deposits including certificates of deposit was \$19,445,564 and the bank balance was \$19,573,276. The bank balance was held at three banks. The difference between the carrying amount and the bank balance is outstanding checks. Of the bank balance, \$750,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities and or letters of credit held under joint custody receipts issued by a third-party bank in the City's name.

Related Municipal Entity

At December 31, 2021, the carrying amount of the WPL deposits including certificates of deposit was \$766,945 and the bank balance was \$778,495. The bank balance was held at two banks. The difference between the carrying amount and the bank balance is outstanding checks and deposits. Of the bank balance, \$250,000 was covered by FDIC insurance, and the remainder was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the Library's name.

At December 31, 2021, the carrying amount of the WCH deposits including certificates of deposit was \$3,070,703 and the bank balance was \$3,070,703. The bank balance was held at three banks. The difference between the carrying amount and the bank balance is outstanding checks and deposits. Of the bank balance, \$500,000 was covered by FDIC insurance and the remainder was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in WCH's name.

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

Note 4 – Compliance, Stewardship and Accountability

K.S.A. 10-1113 requires that expenditures be made in compliance with the cash basis law which requires that no indebtedness be created for a fund in excess of available monies in that fund. At December 31, 2021, the Industrial Commerce Route Fund, Blower Replacement Fund, Water Line Project Fund, Highway 24 Turn Lane Fund and Shop Expansion Fund had negative ending unencumbered cash balances of \$775,110, \$63,670, \$40,874, \$5,720 and \$34,139, respectively. These funds appear to be in violation of this statute. All of these funds are project funds where the City was waiting on reimbursements at year end.

Note 5 – Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 6 – Long-Term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2021 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest and Service Fee Paid
General Obligation Bonds:									
Series 2006-1	5.35%-5.875%	12/1/2006	\$ 345,000	9/1/2022	\$ 45,000	\$ -	\$ 45,000	\$ -	\$ 2,766
Series 2014	2.0%-3.625%	10/28/2014	1,790,000	8/1/2029	1,340,000	-	460,000	880,000	39,406
Series 2015	1.375%-4.0%	10/22/2015	510,000	8/1/2036	430,000	-	305,000	125,000	15,450
Series 2018-A	2.0%-3.75%	6/5/2018	5,660,000	8/1/2033	4,890,000	-	2,145,000	2,745,000	167,825
Series 2020	3.00%	2/11/2020	2,605,000	8/1/2035	2,465,000	-	125,000	2,340,000	73,950
Series 2021-A	3.00%	4/20/2021	8,290,000	8/1/2041	-	8,290,000	-	8,290,000	-
Series 2021-B Refunding	.45%-2.33%	7/29/2021	2,785,000	8/1/2036	-	2,785,000	-	2,785,000	-
Temporary Notes:									
Series 2018-1	2.25%-3.0%	6/5/2018	2,030,000	2/1/2022	1,135,000	-	560,000	575,000	21,025
Series 2020	2.50%	4/1/2020	100,000	12/1/2021	100,000	-	100,000	-	1,750
Capital Leases:									
Fire Truck Lease	2.9%	9/27/2016	300,000	11/1/2026	190,000	-	30,000	160,000	5,510
Land Lease	3.5%	10/1/2017	235,000	9/1/2022	86,960	-	46,039	40,921	2,262
Total Contractual Indebtedness					<u>\$ 10,681,960</u>	<u>\$ 11,075,000</u>	<u>\$ 3,816,039</u>	<u>\$ 17,940,921</u>	<u>\$ 329,944</u>

During 2021, the City issued two bonds, Series 2021-A General Obligation bond in the amount of \$8,290,000 and Series 2021-B General Obligation Refunding Bond in the amount of \$2,785,000. The refunding bond had net savings of \$75,698 and refunding portions of the Series 2006-1, 2014, 2015 and 2018-A General Obligation bonds in both an advance and current refunding.

Subsequent to year end, the City issued Series 2022 General Obligation bonds in the amount of \$725,000 for the purpose of purchasing a fire truck for the City.

City of Wamego, Kansas

Notes to the Financial Statement
December 31, 2021

Note 6 – Long-Term Debt (continued)

Current maturities of long-term debt and interest for the next five-year increments through maturity are as follows:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027-2031</u>	<u>2032-2036</u>	<u>2037-2041</u>	<u>Total</u>
Principal									
Series 2014	\$ 140,000	\$ 140,000	\$ 145,000	\$ 145,000	\$ 155,000	\$ 155,000	\$ -	\$ -	\$ 880,000
Series 2015	25,000	25,000	25,000	25,000	25,000	-	-	-	125,000
Series 2018-A	385,000	390,000	400,000	415,000	425,000	330,000	400,000	-	2,745,000
Series 2018-1 Temporary Note	575,000	-	-	-	-	-	-	-	575,000
Series 2020	135,000	140,000	145,000	150,000	155,000	845,000	770,000	-	2,340,000
Series 2021-A	230,000	295,000	300,000	340,000	355,000	1,940,000	2,240,000	2,590,000	8,290,000
Series 2021-B Refunding	50,000	70,000	45,000	45,000	45,000	2,010,000	520,000	-	2,785,000
Fire Truck Lease	30,000	30,000	30,000	35,000	35,000	-	-	-	160,000
Land Lease	40,921	-	-	-	-	-	-	-	40,921
	<u>1,610,921</u>	<u>1,090,000</u>	<u>1,090,000</u>	<u>1,155,000</u>	<u>1,195,000</u>	<u>5,280,000</u>	<u>3,930,000</u>	<u>2,590,000</u>	<u>17,940,921</u>
Interest									
Series 2014	35,356	32,206	29,056	29,056	21,082	16,432	-	-	163,188
Series 2015	14,888	14,325	13,763	13,200	12,200	-	-	-	68,376
Series 2018-A	156,875	145,325	133,625	121,625	109,175	96,425	14,500	-	777,550
Series 2018-1 Temporary Note	7,187	-	-	-	-	-	-	-	7,187
Series 2020	70,200	66,150	61,950	57,600	53,100	192,900	58,500	-	560,400
Series 2021-A	308,112	241,800	232,950	223,950	213,750	902,250	594,150	237,900	2,954,862
Series 2021-B Refunding	41,336	44,732	44,368	44,040	43,602	162,408	16,262	-	396,748
Fire Truck Lease	4,640	3,770	2,900	2,030	1,015	-	-	-	14,355
Land Lease	555	-	-	-	-	-	-	-	555
	<u>639,149</u>	<u>548,308</u>	<u>518,612</u>	<u>491,501</u>	<u>453,924</u>	<u>1,370,415</u>	<u>683,412</u>	<u>237,900</u>	<u>4,943,221</u>
	<u>\$ 2,250,070</u>	<u>\$ 1,638,308</u>	<u>\$ 1,608,612</u>	<u>\$ 1,646,501</u>	<u>\$ 1,648,924</u>	<u>\$ 6,650,415</u>	<u>\$ 4,613,412</u>	<u>\$ 2,827,900</u>	<u>\$ 22,884,142</u>

City of Wamego, Kansas

**Notes to the Financial Statement
December 31, 2021**

Note 7 – Interfund Transactions

Operating transfers were as follows:

From	To	Amount	Authority
General Fund	Equipment Reserve Fund	\$ 35,000	K.S.A 12-1,118
General Fund	Capital Improvement Reserve Fund	585,000	K.S.A 12-1,117
General Fund	Fire Reserve Fund	10,000	K.S.A 12-1,117
General Fund	Bond and Interest Fund	60,000	
Water Utility Fund	General Fund	75,000	K.S.A 12-1,825d
Water Utility Fund	Water Reserve Fund	175,000	K.S.A 12-1,825d
Wastewater Utility Fund	Wastewater Reserve Fund	100,000	K.S.A 12-1,825d
Wastewater Utility Fund	General Fund	40,000	K.S.A 12-1,825d
Electric Reserve Fund	Electric Utility Fund	200,000	K.S.A 12-1,825d
Electric Utility Fund	General Fund	500,000	K.S.A 12-1,825d
Capital Improvement Reserve Fund	Bond and Interest Fund	71,547	
Covid Fund	General Fund	8,443	
Storm Water Utility Fund	Storm Water Reserve Fund	80,000	K.S.A 12-1,825d
Special Highway Fund	Special Highway Reserve Fund	3,500	K.S.A 68-590

Note 8 – Capital Projects

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

Project Name	Project Authorization	Expended To Date
Street Improvements	\$ 7,500,000	\$ 352,008
Library	1,500,000	90,607
Waterline	1,281,220	40,874
Shop Expansion	2,750,000	34,139

Note 9 – Other Long-Term Obligations from Operations

Compensated Absences

The City's policy regarding personal time off (PTO) pay permits employees to carry over no more than 40 hours of vacation time as of the employee's anniversary date. Policy prohibits payment for vacation time in lieu of time off. For employees terminating in good standing, unused PTO will be paid out on a prorated basis determined by the number months worked. The City's policy regarding sick pay permits employees to accumulate a maximum of ninety working days of sick pay. Policy does not provide for payment of accumulated sick pay on the date of employment termination.

Per the City's policy at December 31, 2021, the City's liability for unused PTO was approximately \$112,284.

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 10 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

The City pays an annual premium to Kansas Municipal Insurance Trust for its worker's compensation and employer's liability insurance coverage. The agreement to participate provides that the Municipalities will be self-sustaining through member premiums. Additional premiums may be due if total claims for the pool are different than what has been anticipated by pool administrator.

The City continues to carry commercial insurance for all other risks of loss, including general liability, crime, inland marine, errors and omissions, business auto, and property. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 11 – Defined Benefit Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$199,499 for the year ended December 31, 2021.

City of Wamego, Kansas

Notes to the Financial Statement December 31, 2021

Note 11 – Defined Benefit Pension Plan (continued)

Net Pension Liability

At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was \$14,187,224. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 12 – Other Post-Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Death and Disability Other Post-Employment Benefits

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

Note 13 – Conduit Debt

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 generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector entities serviced by the bond issuance. 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, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. As of December 31, 2021, the City is not tracking the amounts outstanding from conduit debt.

City of Wamego, Kansas

**Notes to the Financial Statement
December 31, 2021**

Note 14 – Tax Abatement

The Neighborhood Revitalization Program provides property tax abatements to promote revitalization and development of the City of Wamego, Kansas in order to promote the revitalization of the community and protect the health, safety, and welfare of the residents. If the property is approved, the abatement is for 3 years with an abatement being 60% of the qualifying property. From the abatement, 5% is paid to Potawatomie County to cover administrative costs incurred by the County. The total amount of taxes abated by this program for 2021 was \$129,090.

Note 15 – Donor Restricted Fund Balance

Donor restricted fund balance at December 31, 2021 is for the following purposes:

City Park Improvements	\$ 304,056
Cemetery Maintenance and Improvements	465,040
KDHE improvements	119,172

Note 16 – COVID-19

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity, and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2022. Future potential impacts may include disruptions or restrictions on the City's ability to operate under its current mission and operating model.

Note 17 – Evaluation of Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report, which is the date the financial statement was available for issue.

Regulatory-Required Supplementary Information

City of Wamego, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Funds:					
General Fund	\$ 4,913,717	\$ -	\$ 4,913,717	\$ 4,322,751	\$ (590,966)
Special Purpose Funds:					
Library Fund	252,000	-	252,000	252,000	-
Library Employee Benefits Fund	36,280	-	36,280	36,280	-
Special Liability Fund	3,160	-	3,160	3,160	-
Special Parks and Recreation Fund	134,431	-	134,431	-	(134,431)
Special Highway Fund	156,035	-	156,035	143,433	(12,602)
Convention/Visitors Bureau Fund	66,000	-	66,000	54,461	(11,539)
Bond and Interest Funds:					
Bond and Interest Fund	1,358,125	-	1,358,125	4,128,623	2,770,498 *
Business Funds:					
Water Utility Fund	778,587	-	778,587	754,567	(24,020)
Wastewater Utility Fund	967,263	-	967,263	829,059	(138,204)
Electric Utility Fund	6,573,391	-	6,573,391	5,607,062	(966,329)
Storm Water Utility Fund	105,811	-	105,811	80,000	(25,811)

* The Bond & Interest Fund had a bond refunding during 2021 for \$2,785,000.

City of Wamego, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 841,086	\$ 849,211	\$ (8,125)
Delinquent tax	9,949	5,000	4,949
Motor vehicle tax	81,106	54,638	26,468
Recreational vehicle tax	2,124	1,214	910
16/20M vehicle tax	-	22	(22)
Commercial vehicle tax	7,848	-	7,848
Licenses, permits and fees	31,311	35,000	(3,689)
Liquor tax	14,752	13,000	1,752
Franchise fees	267,999	300,000	(32,001)
Dog licenses	551	300	251
Fines and fees	28,783	24,000	4,783
Cemetery lots and sales	2,045	1,000	1,045
911 telephone fee	15,524	18,500	(2,976)
Rentals	6,540	6,000	540
Local sales tax	889,923	736,188	153,735
County sales tax	1,019,057	800,988	218,069
Cemetery lot open and close	9,985	9,000	985
Special park/cemetery donations	29,074	15,000	14,074
Reimbursements	56,762	125,000	(68,238)
Utility loan fund	-	2,000	(2,000)
Airport revenue	5,925	10,000	(4,075)
Recreation revenue	213,308	125,000	88,308
Aquatic center	99,895	94,800	5,095
Excise tax	52	-	52
In lieu of taxes	2,398	2,000	398
Interest on idle funds	9,450	25,000	(15,550)
Miscellaneous	42,214	15,000	27,214
Other resources	-	-	-
Transfers in	623,443	825,000	(201,557)
Total Receipts	<u>4,311,104</u>	<u>\$ 4,092,861</u>	<u>\$ 218,243</u>

City of Wamego, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Expenditures			
Administration	\$ 239,835	\$ 244,400	\$ (4,565)
Police	665,266	640,807	24,459
Communication center	103,313	204,785	(101,472)
Municipal court	61,804	73,824	(12,020)
Fire	134,810	158,050	(23,240)
Streets	373,793	427,149	(53,356)
Parks	214,477	306,845	(92,368)
Cemetery	63,352	110,515	(47,163)
Noxious weeds	1,158	1,500	(342)
Legal	37,160	32,000	5,160
Planning and zoning	62,326	74,201	(11,875)
Recreation	286,405	307,600	(21,195)
Aquatic center	465,664	498,000	(32,336)
Airport	38,417	46,500	(8,083)
Public safety	194,745	295,000	(100,255)
Utility extension loan fund	9,554	5,000	4,554
Special parks/cemetery projects	-	5,000	(5,000)
Special police	-	5,000	(5,000)
911 emergency fund	22,682	22,500	182
Capital outlay	58,154	475,000	(416,846)
Transfers out	690,000	130,000	560,000
Employee benefits	599,836	750,041	(150,205)
Other capital outlay	-	50,000	(50,000)
Miscellaneous expenditures	-	50,000	(50,000)
Total Expenditures	<u>4,322,751</u>	<u>\$ 4,913,717</u>	<u>\$ (590,966)</u>
Receipts Over (Under) Expenditures	(11,647)		
Unencumbered Cash, Beginning	<u>745,102</u>		
Unencumbered Cash, Ending	<u>\$ 733,455</u>		

City of Wamego, Kansas
Library Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 227,698	\$ 229,951	\$ (2,253)
Delinquent tax	2,203	-	2,203
Motor vehicle tax	24,396	18,607	5,789
Recreational vehicle tax	507	414	93
16/20M vehicle tax	-	7	(7)
CMV tax	2,615	-	2,615
Excise tax	12	-	12
Total Receipts	<u>257,431</u>	<u>\$ 248,979</u>	<u>\$ 8,452</u>
Expenditures			
Appropriations	<u>252,000</u>	<u>\$ 252,000</u>	<u>\$ -</u>
Total Expenditures	<u>252,000</u>	<u>\$ 252,000</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	5,431		
Unencumbered Cash, Beginning	<u>5,638</u>		
Unencumbered Cash, Ending	<u>\$ 11,069</u>		

City of Wamego, Kansas
Library Employee Benefit Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 32,867	\$ 33,183	\$ (316)
Delinquent tax	255	-	255
Motor vehicle tax	3,424	2,612	812
Recreational vehicle tax	71	58	13
16/20M vehicle tax	-	1	(1)
CMV tax	367	-	367
Excise tax	2	-	2
	<u>36,986</u>	<u>\$ 35,854</u>	<u>\$ 1,132</u>
Expenditures			
Appropriations	<u>36,280</u>	<u>\$ 36,280</u>	<u>\$ -</u>
	<u>36,280</u>	<u>\$ 36,280</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	706		
Unencumbered Cash, Beginning	<u>799</u>		
Unencumbered Cash, Ending	<u>\$ 1,505</u>		

City of Wamego, Kansas
Special Liability Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Interest on idle funds	\$ 25	\$ 100	\$ (75)
Total Receipts	<u>25</u>	<u><u>\$ 100</u></u>	<u><u>\$ (75)</u></u>
Expenditures			
Contractual services	<u>3,160</u>	<u>\$ 3,160</u>	<u>\$ -</u>
Total Expenditures	<u>3,160</u>	<u><u>\$ 3,160</u></u>	<u><u>\$ -</u></u>
Receipts Over (Under) Expenditures	(3,135)		
Unencumbered Cash, Beginning	<u>4,990</u>		
Unencumbered Cash, Ending	<u><u>\$ 1,855</u></u>		

City of Wamego, Kansas
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Liquor tax	\$ 14,752	\$ 13,751	\$ 1,001
Interest on idle funds	1,242	1,040	202
Total Receipts	<u>15,994</u>	<u>\$ 14,791</u>	<u>\$ 1,203</u>
Expenditures			
Capital outlay	<u>-</u>	<u>\$ 134,431</u>	<u>\$ (134,431)</u>
Total Expenditures	<u>-</u>	<u>\$ 134,431</u>	<u>\$ (134,431)</u>
Receipts Over (Under) Expenditures	15,994		
Unencumbered Cash, Beginning	<u>157,817</u>		
Unencumbered Cash, Ending	<u>\$ 173,811</u>		

City of Wamego, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
State of Kansas gas tax	\$ 137,144	\$ 106,300	\$ 30,844
Connecting link	8,934	5,000	3,934
Interest on idle funds	<u>709</u>	<u>700</u>	<u>9</u>
Total Receipts	<u>146,787</u>	<u>\$ 112,000</u>	<u>\$ 34,787</u>
Expenditures			
Contractual services	7,024	\$ 35,000	\$ (27,976)
Commodities	89,718	67,035	22,683
Capital outlay	43,191	50,500	(7,309)
Transfers out	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total Expenditures	<u>143,433</u>	<u>\$ 156,035</u>	<u>\$ (12,602)</u>
Receipts Over (Under) Expenditures	3,354		
Unencumbered Cash, Beginning	<u>53,627</u>		
Unencumbered Cash, Ending	<u>\$ 56,981</u>		

City of Wamego, Kansas
Convention/Visitors Bureau Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Transient guest tax	\$ 54,461	\$ 66,000	\$ (11,539)
Total Receipts	<u>54,461</u>	<u>\$ 66,000</u>	<u>\$ (11,539)</u>
Expenditures			
Appropriation	<u>54,461</u>	\$ 66,000	\$ (11,539)
Total Expenditures	<u>54,461</u>	<u>\$ 66,000</u>	<u>\$ (11,539)</u>
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

Schedule 2

City of Wamego, Kansas
Summary of Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Capital Improvement Reserve Fund</u>	<u>Equipment Reserve Fund</u>	<u>Law Enforcement Trust Fund</u>	<u>Fire Reserve Fund</u>
Receipts				
Interest on idle funds	\$ 12,416	\$ 4,808	\$ 2	\$ 1,519
Transfers in	585,000	35,000	-	10,000
Total Receipts	<u>597,416</u>	<u>39,808</u>	<u>2</u>	<u>11,519</u>
Expenditures				
Contractual services	-	-	-	16,981
Capital outlay	339,565	-	-	-
Capital lease payment	51,301	-	-	-
Transfers out	71,547	-	-	-
Total Expenditures	<u>462,413</u>	<u>-</u>	<u>-</u>	<u>16,981</u>
Receipts Over (Under) Expenditures	135,003	39,808	2	(5,462)
Unencumbered Cash, Beginning	<u>1,949,105</u>	<u>634,657</u>	<u>201</u>	<u>200,368</u>
Unencumbered Cash, Ending	<u><u>\$ 2,084,108</u></u>	<u><u>\$ 674,465</u></u>	<u><u>\$ 203</u></u>	<u><u>\$ 194,906</u></u>

City of Wamego, Kansas
Summary of Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Cemetery Lot Reserve Fund</u>	<u>Special Highway Reserve Fund</u>	<u>Alcohol and Drug Safety Fund</u>
Receipts			
Cemetery lot sales	\$ 2,295	\$ -	\$ -
Interest on idle funds	475	3,657	-
Reimbursements	-	-	-
Transfers in	-	3,500	-
	<u>2,770</u>	<u>7,157</u>	<u>-</u>
Total Receipts	<u>2,770</u>	<u>7,157</u>	<u>-</u>
Expenditures			
Contractual services	-	-	4,244
	<u>-</u>	<u>-</u>	<u>4,244</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>4,244</u>
Receipts Over (Under) Expenditures	2,770	7,157	(4,244)
Unencumbered Cash, Beginning	<u>46,062</u>	<u>485,067</u>	<u>4,244</u>
Unencumbered Cash, Ending	<u><u>\$ 48,832</u></u>	<u><u>\$ 492,224</u></u>	<u><u>\$ -</u></u>

Schedule 2

City of Wamego, Kansas
Summary of Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2021

	Restricted Reserve Fund	Police Rewards	Permanent Maintenance Fund	COVID Fund
Receipts				
Miscellaneous receipts	\$ -	\$ -	\$ 7,035	\$ -
Interest on idle funds	5,834	3	620	1,077
Grants	-	-	-	369,440
Total Receipts	5,834	3	7,655	370,517
Expenditures				
Transfers out	-	-	-	8,443
Total Expenditures	-	-	-	8,443
Receipts Over (Under) Expenditures	5,834	3	7,655	362,074
Unencumbered Cash, Beginning	769,096	423	77,644	76
Unencumbered Cash, Ending	\$ 774,930	\$ 426	\$ 85,299	\$ 362,150

City of Wamego, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Ad valorem tax	\$ 904,679	\$ 913,723	\$ (9,044)
Delinquent tax	5,638	-	5,638
Motor vehicle tax	99,886	85,700	14,186
Recreational vehicle tax	2,775	1,905	870
16/20M vehicle tax	-	34	(34)
CMV tax	11,841	-	11,841
Special assessments	264,665	240,000	24,665
Interest on idle funds	721	-	721
Excise tax	38	-	38
Bond and loan proceeds	2,789,999	-	2,789,999
Reimbursements	18,000	-	18,000
Transfers in	131,547	37,050	94,497
Total Revenues	<u>4,229,789</u>	<u>\$ 1,278,412</u>	<u>\$ 2,951,377</u>
Expenditures			
Principal	3,515,000	\$ 1,105,000	\$ 2,410,000
Interest	246,350	253,125	(6,775)
Other charges	367,273	-	367,273
Total Expenditures	<u>4,128,623</u>	<u>\$ 1,358,125</u>	<u>\$ 2,770,498</u>
Receipts Over (Under) Expenditures	101,166		
Unencumbered Cash, Beginning	<u>57,291</u>		
Unencumbered Cash, Ending	<u>\$ 158,457</u>		

City of Wamego, Kansas
Summary of Non-Budgeted Capital Project Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2021

	Prairie Ridge #2	Industrial Commerce Route Fund	Valley Sewer Project Fund	ADIS Fund	Blower Replacement Fund
Receipts					
Loan proceeds	\$ 105,166	\$ -	\$ -	\$ -	\$ -
Reimbursements	-	1,952,146	-	-	-
Miscellaneous	-	-	-	4,244	-
Interest on idle funds	69	-	128	32	-
Total Receipts	105,235	1,952,146	128	4,276	-
Expenditures					
Capital outlay	-	2,691,507	-	-	65,975
Contractual services	2,680	-	-	-	-
Debt service	101,750	-	-	-	-
Total Expenditures	104,430	2,691,507	-	-	65,975
Receipts Over (Under) Expenditures	805	(739,361)	128	4,276	(65,975)
Unencumbered Cash, Beginning	8,583	(441,127)	16,735	-	-
Unencumbered Cash, Ending	\$ 9,388	\$ (1,180,488)	\$ 16,863	\$ 4,276	\$ (65,975)

Schedule 2

City of Wamego, Kansas
Summary of Non-Budgeted Capital Project Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2021

	Street Improvements Fund	Library Project Fund	Water Line Project Fund	Highway 24 Turn Lane Fund	Shop Expansion Fund
Receipts					
Bond/Loan proceeds	\$ 6,670,852	\$ 1,508,982	\$ -	\$ -	\$ -
Bond premium	956,329	-	-	-	-
Donations	-	5,000	-	-	-
Reimbursements	-	644,332	-	50,000	-
Interest on idle funds	29,505	6,480	-	8	-
Total Receipts	7,656,686	2,164,794	-	50,008	-
Expenditures					
Capital outlay	352,008	90,607	40,874	75,889	34,139
Cost of issuance	82,901	-	-	-	-
Total Expenditures	434,909	90,607	40,874	75,889	34,139
Receipts Over (Under) Expenditures	7,221,777	2,074,187	(40,874)	(25,881)	(34,139)
Unencumbered Cash, Beginning	-	-	-	20,161	-
Unencumbered Cash, Ending	\$ 7,221,777	\$ 2,074,187	\$ (40,874)	\$ (5,720)	\$ (34,139)

City of Wamego, Kansas
Water Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Water sales	\$ 709,336	\$ 707,340	\$ 1,996
Penalties	6,713	6,000	713
Sales tax	7,861	6,500	1,361
Tapping fees	15,600	13,500	2,100
Interest on idle funds	2,016	4,500	(2,484)
Miscellaneous	660	50	610
Reimbursements	<u>2,749</u>	<u>5,500</u>	<u>(2,751)</u>
Total Receipts	<u>744,935</u>	<u>\$ 743,390</u>	<u>\$ 1,545</u>
Expenditures			
Commercial and general	120,918	\$ 146,147	\$ (25,229)
Production	181,624	252,495	(70,871)
Distribution	165,025	187,895	(22,870)
Debt service	37,000	37,050	(50)
Transfers out	<u>250,000</u>	<u>155,000</u>	<u>95,000</u>
Total Expenditures	<u>754,567</u>	<u>\$ 778,587</u>	<u>\$ (24,020)</u>
Receipts Over (Under) Expenditures	(9,632)		
Unencumbered Cash, Beginning	<u>143,317</u>		
Unencumbered Cash, Ending	<u>\$ 133,685</u>		

City of Wamego, Kansas
Wastewater Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Sewer service charges	\$ 729,647	\$ 836,377	\$ (106,730)
Penalties	8,241	10,705	(2,464)
Interest on idle funds	1,579	5,000	(3,421)
Reimbursements	<u>5,824</u>	<u>2,500</u>	<u>3,324</u>
Total Receipts	<u>745,291</u>	<u>\$ 854,582</u>	<u>\$ (109,291)</u>
Expenditures			
Commercial and general	104,671	\$ 117,092	\$ (12,421)
Production	270,254	283,607	(13,353)
Distribution	152,184	259,614	(107,430)
Debt service	161,950	161,950	-
Transfers out	<u>140,000</u>	<u>145,000</u>	<u>(5,000)</u>
Total Expenditures	<u>829,059</u>	<u>\$ 967,263</u>	<u>\$ (138,204)</u>
Receipts Over (Under) Expenditures	(83,768)		
Unencumbered Cash, Beginning	<u>111,186</u>		
Unencumbered Cash, Ending	<u>\$ 27,418</u>		

City of Wamego, Kansas
Electric Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Electric service charges	\$ 5,324,561	\$ 5,686,000	\$ (361,439)
Penalties	47,121	67,480	(20,359)
Sales tax	203,114	215,000	(11,886)
Transfer in	200,000	200,000	-
Sales of materials	-	2,000	(2,000)
Interest on idle funds	4,317	20,000	(15,683)
Miscellaneous	5,105	2,000	3,105
Reimbursements	29,620	80,000	(50,380)
Total Receipts	<u>5,813,838</u>	<u>\$ 6,272,480</u>	<u>\$ (458,642)</u>
Expenditures			
Commercial and general	715,608	\$ 815,573	\$ (99,965)
Production	3,661,120	4,268,789	(607,669)
Distribution	730,334	874,029	(143,695)
Stock materials	-	15,000	(15,000)
Transfers out	500,000	600,000	(100,000)
Total Expenditures	<u>5,607,062</u>	<u>\$ 6,573,391</u>	<u>\$ (966,329)</u>
Receipts Over (Under) Expenditures	206,776		
Unencumbered Cash, Beginning	<u>273,550</u>		
Unencumbered Cash, Ending	<u>\$ 480,326</u>		

City of Wamego, Kansas
Storm Water Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts			
Customer charges	\$ 79,404	\$ 82,000	\$ (2,596)
Penalties	850	1,050	(200)
Interest on idle funds	1,532	3,500	(1,968)
Total Receipts	<u>81,786</u>	<u>\$ 86,550</u>	<u>\$ (4,764)</u>
Expenditures			
Capital Outlay	-	\$ 80,811	\$ (80,811)
Contractual services	-	25,000	(25,000)
Transfers out	80,000	-	80,000
Total Expenditures	<u>80,000</u>	<u>\$ 105,811</u>	<u>\$ (25,811)</u>
Receipts Over (Under) Expenditures	1,786		
Unencumbered Cash, Beginning	<u>162,351</u>		
Unencumbered Cash, Ending	<u>\$ 164,137</u>		

City of Wamego, Kansas
Summary of Non-Budgeted Business Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Water Reserve Fund</u>	<u>Wastewater Reserve Fund</u>	<u>Electric Reserve Fund</u>	<u>Storm Water Reserve Fund</u>
Receipts				
Interest on idle funds	\$ 3,059	\$ 3,275	\$ 25,917	\$ -
Transfers in	<u>175,000</u>	<u>100,000</u>	<u>-</u>	<u>80,000</u>
Total Receipts	<u>178,059</u>	<u>103,275</u>	<u>25,917</u>	<u>80,000</u>
Expenditures				
Capital outlay	10,672	10,672	392,467	-
Transfers out	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total Expenditures	<u>10,672</u>	<u>10,672</u>	<u>592,467</u>	<u>-</u>
Receipts Over (Under) Expenditures	167,387	92,603	(566,550)	80,000
Unencumbered Cash, Beginning	<u>417,639</u>	<u>442,874</u>	<u>3,541,708</u>	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ 585,026</u></u>	<u><u>\$ 535,477</u></u>	<u><u>\$ 2,975,158</u></u>	<u><u>\$ 80,000</u></u>

City of Wamego, Kansas
Summary of Receipts and Disbursements – Agency Funds
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Wamego Housing Authority	\$ -	\$ 7,490	\$ 7,490	\$ -
Fireworks	19,968	147,151	167,119	-
Wamego City Hospital	-	716,093	716,093	-
Municipal Court Bonds	3,370	8,663	6,123	5,910
Total Agency Funds	\$ 23,338	\$ 879,397	\$ 896,825	\$ 5,910

City of Wamego, Kansas
Schedule of Receipts and Expenditures
Wamego Public Library
Regulatory Basis
For the Year Ended December 31, 2021

Receipts

Donations	\$ 553,271
Fines and fees	10,140
Investment income	6,062
Miscellaneous receipts	<u>297,214</u>

Total Receipts	<u><u>866,687</u></u>
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Expenditures

Personal services	193,798
Contractual services	714,819
Commodities	<u>48,367</u>

Total Expenditures	<u><u>956,984</u></u>
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Excess (Deficit) Revenues

Over Expenditures	(90,297)
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Unencumbered Cash, Beginning	<u>1,047,818</u>
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Unencumbered Cash, Ending	<u><u>\$ 957,521</u></u>
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City of Wamego, Kansas
Schedule of Receipts and Expenditures
Wamego City Hospital
Regulatory Basis
For the Year Ended December 31, 2021

	<u>Actual</u>
Receipts	
Local sales tax	\$ 722,255
Rental income	51,356
Donations	143,723
Interest on idle funds	12,813
Miscellaneous receipts	<u>1,731</u>
Total Receipts	<u>931,878</u>
Expenditures	
Contractual	38,091
Commodities	71,826
Capital outlay	-
Debt service	300,000
Miscellaneous expenditures	<u>15,724</u>
Total Expenditures	<u>425,641</u>
Excess (Deficit) Revenues Over Expenditures	506,237
Unencumbered Cash, Beginning	<u>2,814,404</u>
Unencumbered Cash, Ending	<u><u>\$ 3,320,641</u></u>